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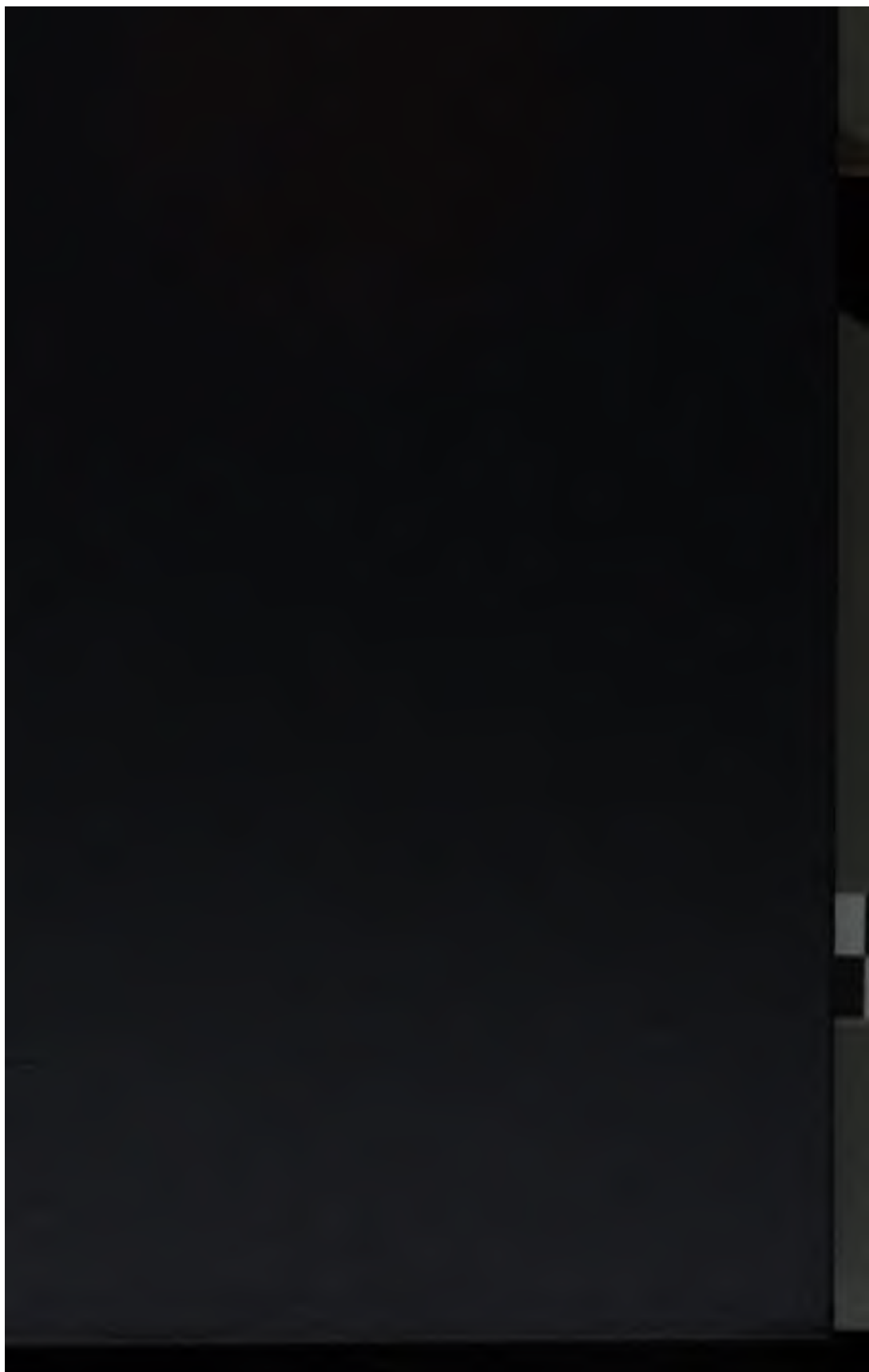
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THE GROWTH OF
ENGLISH INDUSTRY AND COMMERCE.

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THE GROWTH
OF
ENGLISH INDUSTRY
AND
COMMERCE

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PREFACE.

IN the following pages I have endeavoured to give such an account of the growth of English industry and commerce as may be easily followed by readers who are but slightly acquainted with the history of the country, and who have no knowledge of Political Economy: in the notes will be found matter of more importance for students, as they contain, not only full references to the authorities used, but brief discussions of disputed points, and allusions to interesting analogies in the experience of other peoples. To introduce more than a passing reference to such matters might distract attention from the *continuity* which exists between the earliest and the latest stages of our national life, and from the *interdependence* between our industrial and our political history.

The narrative is a simple relation of facts, interrupted only by such explanations of economic terms as seemed absolutely necessary: but it has not been forgotten that the spread or prevalence of some idea or aspiration may be a fact of the

first importance. Only by being fully alive to the ordinary tone of morality and opinion in industrial matters at each stage of our history, can we really understand the nature of the customs and institutions of bygone days.

To give a brief description of the general state of the industry and commerce of our country at any one time must be difficult, but to depict the nature of the changes that occurred throughout the land, during a long period of years, must be well-nigh impossible. It is hard enough to reconcile Harrison's description of England in Elizabeth's reign with the account of his contemporary Stafford, but how are we to picture to ourselves the nature and rate of the changes that had occurred between the time of Fortescue and that of these later writers?

General descriptions of the state of Society, or the progress of Society, must necessarily be very inaccurate, and I have preferred to call attention to the causes which dominated over industrial and commercial affairs at different periods, and to shew by reference to particular cases the nature of the effects produced by each such cause—and if possible the length of time during which it continued to operate actively. By this method of statement, we can never perhaps obtain a very vivid picture of the general characteristics of a period, or the

¹ See pp. 117 and 169 note.

general rate of advance, but we can at least put forward the results in a form in which each step can be verified by the reader, and which may render the links, that connect the whole course of events, more comprehensible.

I have been indebted to Dr Luard, Mr F. W. Maitland, Mr A. Toynbee and several other friends for valuable suggestions while the sheets were passing through the press: from Miss Martin, of Newnham College, I have received constant assistance in collecting and arranging the materials. She has also kindly undertaken the labour of compiling the instructive diagrams which form Appendix IV. The engraving of the noble of Edward III. on the title-page has been drawn, with the permission of the authorities, from one of the examples preserved in the British Museum.

W. C.

TRINITY COLLEGE,
October, 1881.

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delicately all are adjusted, how much disaster in any one branch must re-act on all. As we think of this, we naturally come to regard the industrial system of our time as a great machine, wonderfully delicate, and wonderfully powerful, which provides the necessities and comforts and luxuries of our people. From this point of view we should say that the work of an Economic History was to describe the gradual improvements that have been made in the industrial machine; just as a history of Printing would describe the series of inventions which have given us the Walter Press in place of the laborious drudgery of transcription.

*Continu-
ous
changes.*

But after all the analogy between our industrial system and any machine, however wonderful, is apt to mislead. For there is one very important difference between the two that should never be overlooked:—our industrial system is not pieced together out of inert matter and set agoing by mechanical forces, but its various parts are intelligent human beings with infinite capabilities of co-operation and of self-development. It has been by human skill becoming better fitted to use what nature provides, and by the moral progress which has made a closer social interdependence possible, that the most marked changes in the industrial system have come to pass. And such progress as this is slowly but continually taking place; first the internal change occurs, and then it shews itself in improvements in the arts of life. So that the History of industry does not describe a series of remodellings made from without, but a slow and continuous growth that takes place from within. We shall understand our industrial system better if we think of it not as a machine, but as an organism,—a body economic, if we may coin a phrase that is suggested by the current expression, the body politic.



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paralysed: if we are discussing the actual operations of life, and the disorders which actually occur, we cannot neglect the interconnexion of the two systems, or treat one fully without an implied recognition of the importance of the other. So too with the constitution and the industrial system of a state. We may separate them in thought or verbally, but they never are and never can be separated in actual life; a History cannot treat fully of the growth of our industrial system, without an implied recognition of the constitutional changes that were taking place side by side.

*The inter-
connexion
of events.*

Indeed a very few moments' consideration will shew us that there is no fact in our nation's history but has some traceable bearing on the industry of the time, and none that we should be justified in ignoring as if it were wholly unconnected with our subject. Wars and Revolutions, Court Intrigues as well as Religious Revivals, have all had an industrial side; they have dissipated wealth, or they have altered the conditions under which wealth was obtained, or the terms on which it was divided, or perhaps they have done all three. Numberless cases might be alleged where trifling incidents have been links in the chain of causes that has produced most marked industrial effects.

There is more need to insist on this interconnexion between Industrial and Commercial History on the one hand, and the constitutional, dynastic, or any other side of our national story on the other, because the fact seems to be imperfectly recognised in ordinary histories. The manner of treatment conveys the impression that facts about industry and commerce can be easily distinguished from the rest, and dealt with in separate chapters; but this can never be a thorough way of working. We might indeed gather the facts of industry, but not the facts that

have a bearing on industry, and if we wish to understand the real progress we must pay some attention to both.

§ 3. It might have seemed that in insisting that the sphere of our study is so extensive, we are making the task a hopeless one. If such a mass of facts is to be taken into account, how are we to use them, or to hope to obtain conclusions from them? We shall have to group them in some way, and if our conclusions are to be worth having we must take great care to marshal the facts wisely. This we cannot do by making an arbitrary selection to start with, but only by carefully taking a special point of view, and noting what facts come into prominence when seen from this outlook. We get very different views of London from the Monument and from St. Paul's: the same buildings lie around us in both cases, but they are differently placed, and what is prominent in one case is half hidden in the other. So we may look at the facts of a nation's history from a constitutional standpoint, and note the bearings of the various events on the growth of the political institutions; many will be of slight, a few will be of striking importance. If we took a dynastic standpoint, and viewed the facts of the same history as bearing on dynastic fortunes, we should find that our attention was called to other facts as the most important; so too from our economic standpoint we still deal with the same recorded facts, but they have a different interest; much that seemed valueless before, comes to have a vast importance for us now, while great political struggles may perhaps be disregarded without serious loss. Economic History is not so much the study of a special class of facts, as the study of all the facts of a nation's history from a special point of view.

§ 4. We may note in passing the distinction which

The History of Industry and Political Economy distinguished.

here appears between Political Economy¹ and Economic History: the former takes a special class of facts as they are, and describes and explains them, without professing to take other classes of facts into account. For the sake of simplicity it neglects many human motives and feelings, and describes what on the whole tends to be true—and this description of abstract tendencies is often very useful. But in studying history we do not want to know what tended to happen, but what actually did happen; we want to describe the growth of industry not apart from, but as actually affected by the various circumstances of life. It is worth while to observe too, that if modern Political Economy finds it necessary to neglect many important facts of human nature and society for the sake of simplicity, it is also concerned only with industry and commerce as they are now: it describes the regular ways in which production and distribution and exchange tend to be carried on in the present day, with our present knowledge and inventions, and above all with our present orderly life and high civilisation.

Political Economy in the light of History.

Though these branches of knowledge are so distinct, yet the study of industrial development may be a great help to the complete comprehension of modern Political Economy, for it will help us to understand its genesis. The facts of industrial life, and reflections passed upon them, are closely interconnected: we may attend to the one rather than to the other, but they constantly work on one another. New experiences modify old, or give rise to new principles, and these again affect the course of events. We see this all through the past. The body economic has gone on growing in complexity and size, and men's conceptions of its nature have changed with it: the Plantagenet Kings and Restoration

¹ As defined and discussed by J. S. Mill, or J. E. Cairnes.

Parliaments legislated for trade as they saw it existing in their own day: it has far outgrown its then condition and thus has as far outgrown the principles which guided their legislation. Our special business lies with the facts of industry and commerce,—facts on which different sets of economic principles have at different times been founded. A short investigation of the principles that were dominant during some periods may often be the simplest step towards apprehending the true nature of the industry and course of the commerce of those days. The principles themselves are of little moment now; they came to be out of date, and died without formal refutation. So too the principles of modern Political Economy, in so far as they are inductions from experience and take for granted the existence of a state of society closely resembling the present—e.g. with free competition as the normal condition—may in time be modified by changes in the social structure. The growth of society and the logic of circumstances have constantly refuted principles that not only seemed true but actually were true in a different phase of industrial and commercial life, and they may do so again. But however this may be, History can trace the growth of the industrial phenomena which modern Political Economy describes and explains: History can note the first actual symptoms of the tendencies, the operation of which Political Economy has formulated. The History of the past cannot however provide a basis for the modern principles¹; for in so far as current Political Economy is an inductive science, its reasonings are based on observations of what many men do now, rather than observations as to what men have done in many ages.

¹ On History as a basis for inductive generalisations, see below, p. 414.

*History as
viewed
through
Political
Economy.*

From the above statements it necessarily follows that the principles of Political Economy which describe the commercial tendencies of the present day, will not help us to understand the actual facts of the distant past. For the period commencing a hundred years or so ago, the case is different: the investigation of the causes of wealth¹ had reached results closely similar to those of the present day, and the principles were soon so widely accepted as to exercise a most powerful influence on industrial arrangements: we might treat the history of the giant industry and world-wide commerce of England as an increasingly complete and practical exemplification of the principles of abstract Political Economy. This is probably so much the most convenient method of treatment that it would be unwise to deal with the subject in any other way²: what "tended" to happen, did on the whole happen as a matter of fact. But the earlier history, if approached from the side of modern theory, must be constantly and completely overburdened with elaborate explanations as to counteracting causes, which were so powerful that the normal tendency was completely reversed³. Unless the free competition which they take for granted existed to some considerable extent, modern economic principles only confuse our study of the actual industrial development of any period of the past.

*Description and
explanation.*

§ 5. We have found how the sphere of our study differs from that of a constitutional or dynastic History, and from Political Economy, we have yet to

¹ In Adam Smith Dühring finds an Economic Science as distinguished from opinions on economic subjects (*Einleitung*, p. 2), who adds some trenchant remarks on the danger of confusing the history of facts and of Economic Science, p. 8.

² See below, p. 387.

³ See below on the Law of Population, p. 400.

consider the best way of pursuing it. A hint that has already been given has brought out the extent of our task—since no class of recorded facts can be wholly excluded from our consideration,—but even when we know that we are to take an economic standpoint, there is still much doubt as to how we are to set to work. There are two very different objects, at either of which we may aim: we may be satisfied with *description*, or we may try to get an *explanation*: a description of any event will bring out the salient features that catch the eye, an explanation will set before us the conditions which rendered the event inevitable.

In attempting to trace the development of the body economic we need not indulge in descriptions of the state of society or of the arts of life at different times, any farther than is necessary to illustrate our explanation of the changes that have taken place. The chief aim will be to exhibit the conditions under which new industrial or commercial developments were called forth. A long period during which industry remained almost unchanged might perhaps afford materials from which to frame a description, but we may pass it over in silence, since there was no change that requires to be explained, —unless the unvaried monotony be itself a fact that demands explanation. And thus we shall endeavour to set forth the course of industrial development, not by describing its details, but by exhibiting the conditions that have rendered each step in the progress inevitable.

In so far as this attempt is successful we shall attain results which have a very wide bearing. The course of industrial development in other countries in the world can be traced most clearly by reflecting on the history of that people who have attained to the greatest height

The explanation of English progress

as it is typical of all industrial progress.

of industrial and commercial success: for not only do we find that the English¹ have outstripped other nations, but the comparative completeness of their records from times when the scattered tribes had not come to be a nation, renders it less impossible to trace the course of English than of other industrial development. The progress of many different nations has taken place so nearly on the lines to be here indicated, that most interesting analogies present themselves between the various phases of our industrial life, and the conditions which other peoples have passed, or are passing through. There is undoubtedly only a similarity, and no identity in the development of different nations; for each must work out its own destiny, and each is affected by the influence of contemporary and neighbouring civilisations². None the less shall we be in a better position to enter into the history of the industry of other nations if we first of all concentrate our attention on that of the English people, and can take their story as typical of others.

*Negative
condition
of indus-
try;—*

§ 6. Before however we attempt to trace the changes which have taken place in industry, it will be well to prefix a few words about the conditions which are requisite for the very existence of industry at all: and these may be described as of two kinds, negative and positive. It is perfectly obvious that industry of all kinds

¹ The only people who are as closely connected with trading are the Jews: but the records of their industry and commerce are slight, though the trade may have been considerable: besides they have been without political existence as a nation for so long, that neither their industry nor commerce can be taken as at all typical of that of other peoples. For their early commercial history, see Herzfeld, *Handelsgeschichte der Juden*, pp. 18—61.

² On this factor in English progress see below, Romans, p. 37, Normans, pp. 118, 131, Dutch, p. 325.

involves some exertion or sacrifice which will scarcely be undertaken, unless there are conscious *wants* to be supplied; they may be physical wants of food and clothing, or the personal ambition of getting on in the world, or the desire of advancing one's children: but whatever it may be, unless there is some felt want¹ to be supplied, there will be little or no industry. At the same time it may be noticed that want is only a negative condition, and that we cannot argue that a people have no wants because they are not industrious. In some cases long continued poverty seems to deaden the activities, as is said to be the case with the natives of Harris and other Scotch Isles: elsewhere the habits of the people render them unfitted for the continuous labour of tillage, while they undergo immense privation and long days of unrewarded drudgery in unsuccessful hunting or fishing: or social conditions, such as the class pride of the former conquerors of Bengal², may prevent them from engaging in remunerative pursuits. In such cases as these there is very great want, but little industry; and we may therefore say that even if want is an essential, it is not the sole condition of industry.

The positive conditions, which are lacking in the cases mentioned above, are *skilful energy* and patient *fore-thought*: these are the resources with which human beings are provided in order that they may obtain the satisfaction of their wants. Industry comes into being when men, feeling any need, strive to supply it by bringing these resources into play: these are the factors which must always be present. The ways in which they come into play will differ very much in different times and different circum-

¹ For an admirable analysis of various kinds of wants, compare D. Syme, *Industrial Science*, pp. 103—113.

² W. W. Hunter, *Annals of Rural Bengal*, p. 137.

stances : the skill that is required in a nomad family differs very much from that of an engineer : the forethought of a railway contractor can scarcely be compared with that of a husbandman : yet similar qualities, ability to use natural objects for a given end and willingness to wait for a distant and less or more certain return, are operative in these various cases. The History of Industry and Commerce is only the story of the various ways in which these

Resources, human *resources* have been applied so as to satisfy constantly developing human wants. Every change that has taken place in the manual dexterity of labourers, every mechanical improvement or ingenious discovery by which toil is so saved that a boy can do what fifty men would not have managed before, has given each individual greater ability for the satisfaction of wants. This is a matter of course; but besides the actual increase

how hus- of individual powers, much has been accomplished by *banded.* the better husbanding of power, as civilisation advances : every improvement in industrial organisation, every change which gives a better status to the labourer, and indirectly a greater encouragement to engaging or continuing in labour, has had a similar effect. We can similarly trace the other factor, patient forethought,—willingness to undergo present privation for the hope of a future gain. Wealthy peoples and poor differ less in the strength of this feeling¹ than in the opportunities for giving it free play ; it is better husbanded and directed. If the “effective desire of accumulation” produces small results in tropical climates and under tyrannous governments, this may be, not so much because the individual desires are weak, as because the obstacles to be overcome are great. With every increase of security in a country, it becomes more certain that a man will be

¹ Compare A. Mitchell, *The Past in the Present*, pp. 168—176.

protected in the enjoyment of the fruits of his labours, and therefore he has more encouragement to work and wait for a future gain; by stable institutions patient forethought may be economised, and a little of it be made to go a long way. Another most important point to notice is the greater transferability of this factor in production which we find from the sixteenth century onwards, when it came to be more possible to direct the national forethought into those channels where it was most remunerative. Still more striking effects both in the husbanding and directing of this agent in production are due to the existence of credit, which however requires a stable social system as its first condition.

§ 7. The success which attends any particular employment of these human resources must largely depend on physical circumstances: no amount of human forethought and energy will give a country beds of coal and iron or furnish them with a gulf-stream. But it is important to observe that natural advantages do not make a people rich; they can at the best only make an industrious people richer. Natural plenty does not make men rich any more than want makes them industrious¹; in so far as natural plenty removes the stimulus of want it may be an obstacle to progress. The physical conditions of climate and soil determine the direction of industry which shall be most profitable to a given people at a given time: for curiously enough the economic value of the physical characteristics of a country varies greatly at different times. The introduction of ocean

*Limiting
conditions
of in-
dustry.*

¹ This is the secret of the difficulty of state encouragement of industry: it is hardly possible to guess how improved conditions will affect the people themselves, but they appear generally to remove an incentive to industry. See below, pp. 372, 423.

steamers has given great importance to certain points as coaling stations, and diminished the value of ports on sailing routes; and so too, many towns have been almost destroyed as centres of industry by the introduction of railways. Britain has been in turn a great corn-growing, wool-growing and coal-producing island; and the changes from one employment to another have not been so much due to climatological or physical changes¹ as to the relations of trade in which its inhabitants have stood to other peoples. Perhaps we may say that physical conditions impose a limit which prevents a nation's industry from developing on certain sides. Want gives the stimulus, climate and soil impose limits, but it is in the self-development of human resources, the growth, direction and husbanding of skill and forethought that a nation finds the means for the satisfaction of its increasing wants. It is thus that History reveals the progress which has been made in overcoming nature by calling forth and utilising the energy and forethought of men.

¹ That the climate has altered to some extent is probable from the disappearance of vineyards since mediaeval times.

I.

RUDIMENTARY FORMS.

I.

PROPERTY.

8. Property in Chattels and in Cattle. 9. The English as nomads.
10. Occupancy. 11. Property in the *soil*. 12. The English
tribes. 13. Britain as deserted by the Romans. 14. The
English as occupants. 15. Folkland and Bocland. 16. The
Mark and the Manor.

§ 8. THE difference between civilised and primitive peoples may be most clearly summed up by calling attention to the number of natural gifts which the former have appropriated, and the strictness with which the rights of each member of the community are defined. Every yard of English soil is subject to the definite rights of someone or other: it either belongs to an individual or a corporation, or is claimed by the persons who have common rights over it. But if we turn elsewhere we find that nomads who move from place to place do not appropriate the land over which they wander with their flocks. They have the use of the land as they pass over it, but even the spot where they happen to camp for a time is not what we commonly mean by a possession.

*The mean-
ing of
Property*

Forms.

There are more and more
them as property ; but we
understand the origin¹ or

greater difficulty than that as to
of others. The discussion has
the part of some writers who
or part the rights of property
a very different, and in some
rely on ordinary, utilitarian
tampering with the rights
to our highly organised
inexpedient for us to try

to try and find a justification
to say that, originally,
according to the 'good old rule.'
that this gives no real ex-
and to shew that you ought
a man's goods are at peace
we immediately infer that he
the *lucus a non lucendo*
derived from the exercise of
the origin of rights, though
them; though even in this
part than we might have
the duty of respecting the
to blood relations, and
Household, pp. 411—

that the rights of pro-
equal contract. It is absurd
meaning would be greatly

respecting other people's
expect for property intro-
from utility may justify
tried, but they would
expected and not an
will always be for the

trace the growth of property unless we consider what is really meant by it.

The claim to property in a thing we desire is often explained as the claim of the first finder or occupier to what belonged to no one else. This is quite intelligible, ^{not explained by first occupancy,} but it can scarcely ever be applicable: it may apply to a few cases of treasure trove, or to the occupation of desert islands by civilised men. There is no land, on any continent we know, which is so wholly unused either by nomads or hunters that it can be called *res nullius*¹.

advantage of many people to plunder others; and the probable benefits that will accrue from it are not so obvious as to account for the origin of respect for property.

Nor can we derive it by referring, as J. S. Mill (*Pol. Ec.* II. 1. § 2) does, to the influence of tribunals: these might define and enforce a growing opinion, but they do not account for its beginning. On what principles could such tribunals decide? and why were such cases brought before them, if there was no conception of the rights of property at all?

All these theories are attempts to derive the feeling of respect for property from some external source; this must always be a merely speculative proceeding. It is better to try and consider what we mean by *property*, and then look for its simplest known forms in social groups that are known as actually existing.

Property, whether common or private, has its correlative in a common purpose or an individual purpose; it is this that has inspired the claim to Adverse Possession, that is, as Sir Henry Maine explains, 'a holding which is not subordinate or permissive, but exclusive against the world.'

It is interesting to follow out this view and to shew how the conception of purpose explains the limitations as well as the gradual growth of private property: for this reference may be made to Hegel, *Phil. d. Rechts*, pp. 76—81; compare also J. H. Stirling, *Philosophy of Law*, p. 36.

¹ Laveleye, *Primitive Property*, p. 339. The chapter contains a most interesting discussion of various opinions on the nature or origin of property. Compare also Maine, *Ancient Law*, pp. 244—257.

*nor as the
creation of
labour,*

*but as the
correlative
of purpose.*

*Simplest
forms of
property.
Chattels.*

*Hunters
and
fishers.*

Others have maintained that a man's property is what he has worked for, and explain his right to it as a right to the fruit of his own labour¹: but the convention of our modern society respects the rights of men to property which neither they nor their ancestors have created by labour. We shall come nearer the meaning of property, if we say that it consists of all material things that are set apart to serve the *purpose* of some human being. Men have always regarded a thing as property in which they saw signs that it had been intentionally adapted for somebody's own use. Such signs are very various.

The simplest of them all is the shaping of some object to serve a purpose better: the savage who burns out a log and makes a canoe has given evidence of skill and forethought in accomplishing his plan; and it is thus marked as (individual or family) property. Property of this kind, in weapons, or tools, or chattels, may exist among the rudest peoples, for instance among a tribe of hunters, who sometimes shew their respect for the chattels of the deceased by burying them in his grave. Property of other kinds they have none: the tracts of country where they pursue their prey do not bear the marks of their presence, or shew any signs of the effective force of the human will—nor have they settled homes or fields. Some writers have indulged in the speculation that this is the original condition of mankind, from which the higher races have emerged. If so, it was certainly a wonderful development of human forethought when any men came to prefer to keep a herd of cattle, rather than to trust to the chances of pursuit and of fishing². But we cannot take for granted that a nomadic

¹ Locke, *Civil Government*, c. v. § 27.

² A. Ferguson, *History of Civil Society*, p. 146.

state was always preceded by one of hunting: it certainly does not always intervene between a life of hunting and one of tillage. The course of each tribe's economy is probably greatly affected by its physical circumstances: the peoples of Asia had opportunities for appropriating sheep and living as nomads, while none of the animals in America lend themselves so readily to domestication¹. While we have reason to believe that the English, like *The Aryan tribes as nomadic:* other Aryan tribes, were once nomadic, we have no grounds for supposing that they ever subsisted on hunting and fishing alone—but if they did so, we are justified in assuming that even then each sept recognised the rights of property in chattels among its members.

§ 9. Apart from the direct evidence which is furnished by Caesar², who describes our ancestors as still in a semi-nomadic condition, we might have argued on general grounds that the English have come of a nomadic stock. The economy of any tribes who lived in the distant home of the Aryan race must have been of this character, while the wandering of a tribe—*their migrations.* not the incursion of a horde of conquerors—is scarcely intelligible unless we suppose them accompanied and supported by their flocks and herds³. One most important occasion for the wandering of these tribes must have

¹ Turgot, *L'histoire universelle*, Œuvres, II. 218. L. Morgan, *Ancient Society*, pp. 22—25. On the other hand the *maize* is a cereal which is cultivated by Indians in a savage state. Compare on the economy of tribes of hunters and fishers, Roscher, *Nat. d. Ackerbauers*, p. 17.

² *De bello Gallico*, IV. 1, Neque multum frumento, sed maximam partem lacte atque pecore vivunt, multumque sunt in venationibus.

³ L. Morgan (*Ancient Society*, p. 21) points out that tribes have sometimes been supported in long migrations by fishing in the rivers the course of which they followed.

been a lack of fodder, and the direction they took would be that where the obstacles to their continued livelihood from their herds were least. Level plains and river courses would offer favourite lines of progress; while the rapid multiplication, which seems to have continued in the regions from which they came, would always urge an onward movement. But at length they would find themselves opposed by obstacles which prevented any farther movement¹: there were no means of transport by which a nomadic people could convey their herds across the German Ocean, while the Roman armies prevented the farther progress of the barbarian tribes, as tribes. In some such way as this were the English tribes forced to settle on the strip of land from which they emerged to conquer Britain, and where they were eventually driven to eke out their subsistence from their herds by tillage.

*Family
Property
in Cattle.*

From the descriptions which we hear of nomadic peoples in the present day², we can form a pretty clear idea of the economy of similar tribes long ago. In the management of the herd, in successful breeding and training, there is opportunity for the constant exercise of forethought and skill: the land over which the cattle range is not appropriated. Each family however possesses its own herd, and there may also be an understanding, for mutual convenience, between two septs or families as to the runs which their cattle are to occupy respectively³. We here find the existence of property in cattle as well as in chattels, and we may notice that

¹ The conditions which lead to such a settlement are well discussed by A. E. F. Schäffle, *Bau und Leben des socialen Körpers*, III. p. 127.

² Roscher, *Nat. d. Ackerbaues*, p. 30.

³ Genesis xiii. 11, 12.

a similar reason accounts for the recognition of this new kind of possession, though the claim now rests not on having made the thing possessed, but on constantly using it. The herds are bred and kept for the use of a family, they are made to suit this purpose, and are therefore a new kind of property. The flocks of the Tartar supply him with all the necessities of life¹: their milk gives him sustenance, their wool gives him shelter and clothing, and there can be no doubt that our ancestors were dependent on similar means of support. But when the range of their wandering became restricted, and the necessity for additional food began to be felt², they were driven to commence the work of tillage, which involves a greater expenditure of labour and forethought, implies more decided purpose, and as a consequence gives rise to new forms of property.

§ 10. We possess, in Caesar and Tacitus, two first-rate ancient authorities³ on the condition of the Germans, among whom the English tribes were included, at the time when they were thus becoming a settled people. We know that first the extension of the Roman Empire to the left bank of the Rhine and right bank of the Danube, and subsequently its tempting weakness, affected the tribes on its borders, and the internal struggles of the various tribes kept the whole people in comparative unrest. But in spite of these disturbing causes they were no longer mere wandering tribes, as the necessary subsistence could only be obtained by prosecuting

*The
English
in Prisia.*

¹ D. M. Wallace, *Russia*, 335.

² It is sometimes the necessity for fodder, not for food, that forces nomads to settle and cultivate. Morgan, *Ancient Society*, p. 335.

³ The evidence of other ancient writers is collected by K. Zeuss, *Die Deutschen*, p. 52.

*Tribal
property
in land.*

agriculture, though the greater part of their support came from their herds, the chase, or war¹.

The chief requisite in such a condition would be defence against their neighbours, and with this purpose each tribe devastated the country around its settlements². We thus find a tribe dwelling within a march, and claiming a definite area of land as property, in the possession of which they sought to protect themselves: it was theirs by designation. Land thus marked out by a march is properly speaking a *mark*³, and may be fairly regarded as a tribal possession, though the word is generally used of the land of a township.

*Evidence
of Caesar
B.C. 53.*

According to Caesar (*B. G.* vi. 21) the territory was annually assigned to each of the smaller groups by the

¹ See p. 19, note 2 *supra*. Also *B. G.* vi. 21, 22, *Vita omnis in venationibus atque in studiis rei militaris consistit. Agriculturae non student, majorque pars eorum in lacte, caseo, carne consistit.*

² *B. G.* iv. 3, *Publice maximam putant esse laudem quam latissime a suis finibus vacare agros: hac re significari magnum numerum civitatum suam vim sustinere non posse. Itaque una ex parte a Suevis circiter milia passuum sexcenta agri vacare dicuntur. VI. 23, Simul hoc se fore tutiores arbitrantur, repentinae incursionis timore sublato.*

The same system was in vogue in India under native rule. "One of the first things...was to make a good road to connect the capital (of Sawant Waru) with the seaport Vingorla....One day in confidential mood the Rajah remarked,...'See how this Sahib is spoiling my country by his new road, and what he calls improvements.' I ought perhaps to add, as some excuse for the Rajah, that the traditional policy of the state was to maintain inaccessibility. Forests, difficult passes, vile roads, thick jungles, were the bulwarks not only of the capital, but of most of the towns and villages." Jacob, *Western India*, p. 120.

³ Kemble, *Saxons in England*, i. 42, distinguishes the different senses of mark, as (1) a boundary, (2) a territory, used for pasture, &c., as distinguished from meadow and arable land; (3) a village community exercising authority within their march.

magistratus ac principes: their dwellings were roughly put together, not permanent homes, so that the people were still half nomadic: we are forced to picture their mode of tillage as like that which is in use in Siberia, where a portion of land is cleared by burning, sown and reaped in the summer, and then left wild while the community repairs to another spot.

The much-disputed passage¹ in the *Germania* of

¹ *Germ. c. 26*: *Agri pro numero cultorum ab universis in vices occupantur: quos mox inter se secundum dignitationem partiuntur: facilitatem partiendi camporum spatia praebent: arva per annos mutant et superest ager. Nec enim cum ubertate et amplitudine soli labore contendunt, ut pomaria conserant et prata separent et hortos rigent.*

This passage involves many difficulties: *occupantur ab universis* I take as describing the mode of possession,—by the whole village community with a possibility of interchanging the portions allotted to each family: the word has thus an implied reference to the original settlement of the tribe in that locality, when the amount allotted to each village community was in proportion to the numbers. The subsequent partition is a distribution *within* the village community itself. The change of the ploughed fields has reference to the mode of tillage. This interpretation is on the whole that of Waitz (*Verfassungsgeschichte*, 1. p. 132) and Hearne (*Aryan Household*, p. 219), though they support it by the use of other readings, which scarcely seem admissible according to the manuscript authority.

For an entirely different interpretation compare Baumstark (*Erläuterungen der Germania*, p. 714), who considers that the whole passage has reference to the mode of culture; but it is admitted that according to this rendering the *agri* of one sentence have a different sense from the *ager* of the other; nor is it easy to understand the meaning of the two distributions, according to two different principles, if we suppose that Tacitus was describing by both phrases the permanent condition of the tribes.

A very complete summary of the views of other authors will be found in the above-quoted works of Waitz and Baumstark.

In the *arva per annos mutant*, K. F. Eichorn (*Staats- und Rechts-*

and of
Tacitus
A.D. 100.

1795.

Tacitus seems to describe a state of society not very dissimilar. "The lands are held by all interchangeably, in proportion to the number of the cultivators: and these they afterwards divide among themselves according to their dignity; the extent of the territory renders the partition easy. The ploughed fields change from year to year, and there is land enough." The last sentence seems to imply the existence of an *extensive* culture, which consists in cropping different portions of land one after another so as to get the full benefit of the natural fertility of the soil: till manuring is understood—or becomes profitable—it is the best system to adopt, and something similar held its own in parts of Scotland almost till the present century¹. So long as it is in

geschichte, p. 59 note) and others find evidence of the existence of a three-field culture (see below, p. 57), but the words would apply equally well to any method of tillage where some of the land was constantly left either fallow or uncultivated.

If the precise meaning of this passage is so difficult to discover, it cannot be a matter of surprise that a great deal of controversy has also arisen from a comparison of this statement with that of Caesar. His words are (*B. G.* vi. 22), *Neque quisquam agri modum certum aut fines habet proprios: sed magistratus ac principes in annos singulos gentibus cognationibusque hominum, qui una colerunt, quantum et quo loco visum est agri attribuunt, atque anno post alio transire cogunt*. There has been much discussion as to the progress that had taken place during the century and a quarter which separated them: while the value of the information furnished by each is also open to discussion. A very careful comparison of the two accounts is given by M. A. von Bethmann-Hollweg (*Ueber die Germanen vor der Völkerwanderung*, p. 13), who fixes on the more settled habitations (*Germania*, c. 16), as the one definite point which testifies to a higher civilisation and implies more regular tillage.

No doubt need be felt as to the general correctness of both authors in writing on this subject though Kemble (*op. cit.* i. 40) is inclined to disparage the testimony of Caesar.

¹ On out-field tillage see *Northern Rural Life*, 10.

vogue, anything of the nature of individual property in arable land is of course impossible.

But if Tacitus gives us no evidence of possession of fields, he does lead us to believe that the principle of appropriation was obtaining a wider application. He tells us that the homes of the people were planted here and there in suitable situations; in their villages the houses were placed irregularly and with some space around each¹: subterranean caverns were also usual, both with the purpose of protecting their stores from the severity of winter and, if necessary, to conceal them from the enemy. This gives us a very different picture from that of Caesar (*B. G.* vi. 22) in whose time the tribes seem to have been indifferent to the changes of the seasons. A people every one of whom retained a settled home surrounded by a yard, or a *toft*, may be considered to have completely passed

*Progress
of the
tribes.*

*Property
in the
Toft.*

¹ *Germania*, c. 16: Nullas Germanorum populis urbes habitari satis notum est, ne pati quidem inter se junctas sedes. Colunt discreti et diversi, ut fons, ut campus, ut nemus placuit. Vicos locant non in nostrum morem, connexis et cohaerentibus aedificiis; suam quisque domum spatio circumdat sive adversus casus ignis remedium, sive inscitia aedificandi.

Bethmann-Hollweg (*Civil-Process*, iv. p. 80) argues with some force that these two sentences describe two distinct forms of settled habitation, similar to those which are known as the "joint-undivided-family," and the "village community," and exist side by side in parts of Bengal. The joint undivided family consists of a group of perhaps three generations, among whom there is a common meal, common worship and common property; while in the village community each head of the smaller families has definite property, as distinguished from the other families of the community. Sir John Phear (*Aryan Village*, p. 235) thinks there is a constant tendency for the Joint Family to pass over into the Community: others regard the Joint Family as the later of the two: it appears that in various parts of Europe the Joint Family has held its place as a social form, which continues to reproduce itself rather than to pass into anything else. Laveleye, *Primitive Property*, p. 181.

Higid.

from the condition of nomads, even though the staple of their subsistence was still derived from their herds. Every such markman had a *higid* consisting of (1) definite rights to the use of the uncultivated mark, as well as (2) a claim to his portion of the produce of the meadow land; while (3) a portion of the fields which were at any time under tillage would be assigned by lot for his use. So far he had possession of his house, but only the temporary use of (not property in) arable land, and common rights over meadow and uncultivated mark.

*Administration:**the Headman.*

In order that the common tillage, and due management of the meadow land, as well as of the waste which supplied fuel, wood for building, and so forth to each village community, might be carried on, it was obviously necessary that there should be some administration. This has generally been committed by the assembled householders to one man who undertakes the duties for a year¹. In Russia, the office of *headman* is a burdensome one which everyone is anxious to escape²; in other cases it seems as if the administration were hereditary in a

¹ Compare Altenstadt in 1485. "das man alle jare nach Sant Walburgendag so man erst inag ein merkerding halten sol, vnd alle ampt bestellen, nhemlich so sal ein oberster merckermeister vnd ein vndermerckermeister die das vergangen jar merckermeister gewest sein, das merckerding besiczen, und soln die rugen horen, * * * vnd wan das also geschehen ist, so sal der vndermerckermeister vnd alle furster dem obersten merckermeister ire iglichen ampt vffgeben in sein hant, vnd wan sie das gethan, so sal der oberst merckermeister die mercker ermanen vnd sie heissen widder ein vndermerckermeister zu kiesen, das sie dan also thon saln, das auch rechtlichenn also herkommen ist, vnd dieselbenn, die also daruber gekorn. werdenn, soln ein obersten merckermeister uber ire ampt geloben vnd zu den heiligenn schwerenn, der marg recht zu thun und niemant vnrecht." Grimm, *Weisthümer*, III. 453.

² D. M. Wallace, *Russia*, 131.

leading family from the earliest formation of the community, for it certainly does not seem possible in all cases to derive individual from communal rights¹. However this may be, we know that even at the first there was no equality², but a difference of status and therefore of wealth among the members of the community: and as time went on these differences became more decided till they resulted in the disruption of the mark and the creation of one or more manorial groups in its place. To the consideration of these we must return later³, for as there is one instance where the earliest type of the mark still survives⁴ we can hardly be wrong in arguing that it was in the earlier form that it existed among some at least of the English tribes when they invaded this island⁵.

¹ Hearne, *Aryan Household*, p. 232.

² Tacitus, *Germania*, 26; cf. Phear, *Aryan Village*, p. 235.

³ See below, p. 53.

⁴ Lauder in Berwickshire. Maine, *Village Communities*, p. 65. Several similar instances in lowland Scotland are described by Professor Mackay, in the *Scottish Journal of Jurisprudence*, xv. p. 567.

⁵ The village-community is a very widely diffused institution: it may be in a sense natural to a free people who take to a settled life when the simple co-operation of labour is required for carrying on agricultural operations: the labour of slaves can be organised by their master, but that of men who are in any sense free must be organised by themselves through the appointment of a directing head. A general sketch of the institution will be found in Sir Henry Maine's *Village Communities*; other points are brought out in Dr Hearne's *Aryan Household*. A good account of the system as actually existing is given, by Sir John Phear (*Aryan Village*) for India and Ceylon, by Mr D. Mackenzie Wallace in *Russia* (pp. 118 f.), by M. Laveleye for other parts of Europe in his *Primitive Property*, where many survivals are noted.

The history and changes in the institution in Germany are fully described by von Maurer, *Markverfassung* and more briefly in his *Einführung*: the corresponding changes in England can be partly

*Intensive
culture.*

§ 11. The next stage in the transition to private property in arable land is one that Mr Wallace describes as going on at the present day in Russia¹: it follows upon the introduction of a better system of tillage. When, either from its conveniency for their fixed dwellings or as a possible effect of increasing numbers, since they find that by expending labour in manuring a better crop can be obtained, men prefer to continue cultivating the same fields, a system of *intensive* farming will be rapidly introduced. Instead of trying to keep up the supply by taking in a new area, men will employ more care and forethought on the lands already under plough; they will wish to plan their operations with regard to a longer period of time, and will be glad of such conditions of tenure as will enable them to carry out their purpose. The plot that is really well worked one year will retain a certain portion of the advantage for a second², a third or

traced with the help of Kemble, *Saxons in England* (i. pp. 35—71), Stubbs, *Constitutional History* (i. pp. 33, 49), and Name, *Land Community*.

The historians of Ireland and Scotland have noted a state of society which was somewhat similar, though modified by a strong feeling of kinship and respect, for the head of the sept; see the introduction to O'Curry's *Manners and Customs of the Ancient Irish*, i. 131—196, and a history of early tenures in Mr Skene's *Celtic Scotland*, iii. pp. 139, 148, 215.

It is interesting to find traces of the same institution among a Semitic people, as we may do by an examination of the incidental allusions in the Bible to the land system of the Israelites. For the first settlement see the *Theological Review*, xiv. 489, and for an admirable account of the changes as well, see the *Church Quarterly Review*, x. p. 404.

¹ *Russia*, 550.

² "In the parish of Alvah, fields to which lime had been applied, were reckoned fit to yield from twelve to nineteen crops of oats in succession. And it was to Kincardineshire that the old

a fourth season; and the holder's claim to get the benefit of his unexhausted improvements will make him desire to retain the use of his land for a longer period than the single year for which the plot was originally allotted to him. Where intensive culture is well carried on this will be felt by all the members of the community: and few, if any, will desire a re-allotment of the lands: only among backward communities will the custom of annual or even of frequent redistribution linger; and gradually it falls into disuse altogether. When this occurs, the markman still retains the same rights over his house and yard, still has common rights on meadow and waste, but has acquired a right to the use of a certain part of arable land indefinitely, since with the introduction of intensive culture, the practice of redistribution falls into disuse.

*Communal
right of
Redistri-
bution
falls into
disuse.*

Whether this change took place before or after the English invasion, whether intensive culture was known to our forefathers when they came here, or introduced after that time, it may be impossible to decide with certainty¹: in either case there is some ground for supposing that

*Had the
first Eng-
lish settlers
private
property in
arable
land?*

school farmer belonged, who, on being complimented on the good appearance of his crop, said, 'It's nae marvel, for it's only the aachteent (eighteenth) crop sin' it gat gweed'in' (dunging)." *North-ern Rural Life*, p. 23. If the application of lime or manure appeared to give rise to such long-continued benefits, we can easily understand that markmen who had been at the trouble of improving their plots, would protest against a redistribution.

¹ Waitz (*Deutsche Verfassungsgeschichte*, I. p. 115) considers the probabilities are strongly in favour of the supposition that they carried it with them. This may well be so, but it is worth while to observe that in the time of Tacitus, as in that of Caesar, they were ignorant of intensive culture in its commonest form: the current cameralistic tradition in Germany ascribes the introduction to Karl the Great; the earliest known mention of the system there is in 771. Cf. G. Hansen in *Zeitschrift für allg. Staatswissenschaft*, Tübingen, 1862, p. 82.

alod,

the improvement in tillage was due to Roman influence. Be this as it may, we cannot regard the fact that certain parcels of ground in England were held by allodial tenure as conclusively shewing that these very yards of land had been allotted to some freeman at the first occupation by the invaders. If the *alod* was the portion of each freeman¹, then we may say that what he claimed

¹ Kemble, *op. cit.* i. 90, 132. A different view is taken by Dr Stubbs, who regards the *alod*, not as the *higid* allotted to the ordinary freeman at the time of the conquest, but as an additional estate granted to 'nobles or other great men.' *Constitutional History*, i. p. 74.

If this be so, the *alod* was a definite piece of land, appropriated in perpetuity and subject to no communal rights; and the grants of *boeland* to monasteries were not the first instances of private property in land; see below, p. 48.

This view also simplifies the account to be given of the growth of the *manor* out of the *mark*: where a warrior possessed a *higid* and had thus a part in a community of freemen, and at the same time had an *alod*, or estate cultivated by the conquered slaves, we would have the main features of a *manor*, except the judicial process which the lord possessed later. See below, p. 53. But the origin of the smaller manors can scarcely be thus explained.

Its derivation throws no light on the point in question: it has been traced by different writers to *leod* people, *hlyt* lot, and *ethel* noble. Mr Skeat regards it as composed of *aldr* *eld*, and *ed* a homestead. *Etymological Dictionary*.

When there is such a difference of opinion between scholars, it is only possible to give a tentative preference to the view which is slightly favoured by general considerations. We have not found that the freemen and nobles among the Germans differed in the *kind* of tenure by which they held land; and we are not forced to suppose that the conquest of Britain effected such a change in the habits of the people as to permit of the nobles, not only having a preference over the freemen in obtaining *the use of larger shares of communal land*, but procuring, unlike the freemen, *a property in land entirely free from communal control*. Nor did the blood nobility (*eorls*) maintain such a superiority over the freemen (*churls*), in the English social system as would be natural from their having a very

was not a mere parcel of land, but a *higid* including *higid*. rights to the feesimple of his house and yard (toft), rights of pasture, of grass, &c., and the use for an indefinite period (that is till the community determined on a redistribution) of a portion of arable land suitable to his toft¹. The arable land which was in his possession when redistribution fell into disuse finally, would continue to be his by free allodial tenure.

§ 12. While the German tribes were becoming more permanently settled in their continental homes, we find that they were also successful in the arts of war: for this they had abundant opportunities, and it could be carried on without disturbing the territorial system which has been described. We have an instance of a great defensive war in which the Suevi engaged, half of them being under arms, and half occupied in tillage every year²; the village system rendered this arrangement possible, and it was adopted by the English at a much later date as giving the best systematic defence against the Danes. Again we find members of these tribes employed by the Romans as mercenaries under their own leaders, not merely recruited from German settlements within the limits of the Empire³, although such settlements existed.

War as practised by the German tribes.

A.D. 894.

marked preference shewn them at the time when the conquered territory was distributed.

¹ A long discussion as to the precise extent of these various rights will be found in von Maurer's *Markverfassung*, pp. 117—170.

² Caesar, *B. G.* iv. 1. Ili centum pagos habere dicuntur, ex quibus quotannis singula milia armatorum bellandi causa ex finibus educant. Reliqui, qui domi manserunt, se atque illos alunt. Ili rursus in vicem anno post in armis sunt, illi domi remanent. Sic neque agricultura nec ratio atque usus belli intermittitur. Compare the *English Chronicle* under year 894.

³ Bethmann-Hollweg, *Die Deutschen vor der Völkerwanderung*, p. 78.

Piracy. But much more important schooling in warfare was the piracy which was the recognised business of many of the people in their villages, and which offered a constant opening for the employment of the surplus population.

Increase of Population. What may be the conditions which render a nation so specially prolific as they then were are hardly known¹; but it is commonly said that peoples just emerging out of barbarism exhibit a suddenly increased power of multiplication; partly perhaps because a more settled life is favourable to the nurture of the young. The social conditions which rendered the Germans more prolific than the Romans are alluded to by Tacitus²; and these along with the simplicity and vigour of a young nation make up the whole explanation that can be given³.

The English as Frisian pirates. This increase of population gave a continual surplus which could not be supported on the then existent rural system: but the German's love of wandering is as strong as his love of home, and any leader who started on a life of adventure in foreign parts was likely to find a following. In inland districts these bands doubtless resembled the freebooters who infested the English and Scotch borders, and whose doings are familiar to the readers of the *Monastery* and others of the Waverley Novels: but the tribes that bordered on a sea coast sent out their surplus population to engage in regular piracy along neighbouring coasts. The coasts of Normandy and of Britain had suffered for many years at the hand of these

¹ They are most ingeniously discussed by Doubleday, *True Law of Population*, who produces much evidence to shew that fecundity is connected with privation. Compare also Roscher, *Political Economy*, II. p. 297.

² *Germania*, cc. 18, 19, 20.

³ M. A. Bethmann-Hollweg, *Die Germanen vor der Völkerwanderung*, p. 18; *Civil-Process*, IV. pp. 104—129.

pirates, so that the officer whose duty it was to repel these attacks had the regular title of *Comes Litoris Saxonici per Britanniam*¹. And indeed these ravages, at the hands of one or other of the northern peoples, continued for centuries,—so long as warfare was prosecuted by the Norsemen as a regular business². Such a life of adventure, fitting in as it did with the institutions which survived from times when war was necessary for the defence of all, not merely for the maintenance of some, was eagerly adopted. Kemble asserts that the accepting a place in a leader's *comitatus* was incompatible with the status of a freeman³, but of this there is no sufficient proof. The idea that it was a duty to respect the property of foreigners, or even of neighbouring tribes, was

The comitatus.

¹ E. Guest, *Early English Settlements*. From *Proceedings of Archaeological Institute*, 1849, p. 6. Another view of this office is taken by Lappenberg, *Saxon Kings*, 1. p. 46.

² E. G. Geijer, *Poor Laws*, pp. 70, 102, has some interesting remarks on the effect of this continued prosecution of war as a trade on the internal development of Sweden: for its effects on an inland people, see W. W. Hunter, *Rural Bengal*, p. 219. Compare the various enumeration of employments given by Aristotle: *οι μὲν οὖν βίαι τοσοῦτοι σχεδὸν εἰσιν, ὅσαι γε αὐτόφυτον ἔχουσι τὴν ἐργασίαν καὶ μὴ δὲ ἀλλαγῆς καὶ καπηλείας πορίζονται τὴν τροφήν, νομαδικὸς γαυρηγικὸς ληστρικὸς ἀλιευτικὸς θηρευτικὸς*. The pirate's employment is treated of as a subdivision of the larger class of men who get their living by the chase. *Politics*, 1. c. 8, §§ 7, 8. See also the Cyclops' enquiry of Ulysses:

ὦ ξείνοι τινες ἐστέ; πόθεν πλείθ' ὕγρὰ κέλευθα;

Ἢ τι κατὰ πρῆξιν ἢ μαψιδίως ἀδάγησθε

Οἶά τε ληϊστῆρες ὑπεῖρ ἄλλα; τοὶ τ' ἀλδώνται

Ψυχὰς παρθέμενοι, κακὸν ἄλλοδαμοῖσι φέροντες.

Od. ix. 254.

Thucydides calls attention to this state of things as evidence of a very different state of feeling to that of his own day. 1. c. 5.

³ J. M. Kemble, *Saxons in England*, 1. p. 173. Waitz, *op. cit.* 1. p. 348 and note.

quite beyond them: reverence for their domestic and tribal gods would not tell in favour of respect for the property of the stranger¹.

*Temporary settle-
ments of
pirates.*

It may not always be possible to distinguish the ravages committed by such bands from the migrations of a tribe that found their quarters uncomfortably contracted: for the pirates might settle for a time as the best means of securing the spoils, and the fort thus formed become a centre to which their countrymen migrated: nor was very much more preparation required for the one expedition than for the other. Their wives and children were stowed in the wagons their oxen drew², so that a portion of any tribe could swarm off by land transit to quarters that were unpeopled or weakly defended, and their ships would give similar or even greater facilities. But we hear of cases where these migrations were due to special causes which drove a tribe from its home: such was the migration of the Usipetes from the neighbourhood of the victorious Suevi³; or of the Cimbri when driven from their homes on the Danish peninsula by the incursion of the sea⁴. The great incursions of the English into Britain were not improbably partly due to similar destructions of their homes: the people would thus be forced to migrate as a body, instead of merely sending out bands of marauders or comparatively small bodies of settlers.

B.C. 55.

Tribal

The organisation⁵ of the tribes was closely connected

¹ Hearne, *op. cit.* p. 414.

² Caesar, *B. G.* I. 51. Tacitus, *Germania*, 7. 18. *Hist.* IV. 18. Procopius, *De bello Goth.* I. 1. *De bello Vandal.* II. 3.

³ Caesar, *B. G.* IV. 1, 4.

⁴ Bethmann-Hollweg, *Civil-Process*, IV. p. 105 and note 2.

⁵ The account in Dr Stubbs' *Constitutional History*, 1875, pp. 12—36, is clear. Fuller references to the original authorities will be found in Bethmann-Hollweg, *Civil-Process*, IV. pp. 75—104, and

with the two ways of life which have been described: the *mark* (*vicus*) was the unit of the national economy, in the mark moot the method of tillage and lot of each freeman were decided: the *gau* or hundred (*pagus*) was a military and judicial division of the people (*civitas*) as a political whole; and in each of these there were assemblies for the conduct of affairs. In these assemblies the freemen and *nobiles* took part and elected the *principes*, who were their judges and captains: while the captives of war, or those who had lost their freedom through crime, were the mere slaves of the free, with no portion in the soil and no right of defending themselves by arms. The *princeps* (and possibly any individual who could assume the part of a successful leader) gathered a *comitatus*, who were bound by the closest of all ties to fight in his behalf and act as a permanent force, or as a body of freebooters or pirates when the tribe became more settled. At the head of all was the king, elected from among the direct descendants of the gods; a princeps in his own hundred, he was seldom called on to exercise any authority over the whole nation; yet when a national council was held he would preside; or if a national migration took place he was the natural leader.

In this rough sketch it has not seemed necessary to attempt to distinguish the English from other German tribes. Linguistic affinities shew that they come of the Low German stock¹: the Saxons have been identified

The German stock.

a minute discussion of the whole in G. Waitz, *Deutsche Verfassungsgeschichte*, 1. p. 170. Many statements in the text are subjects of dispute; as e.g. the distinction between the *nobiles* and *principes*, the origin of kingship, and the marked distinction of functions in the *mark-gau*—and *folk moot*.

¹ Grimm, *Geschichte der deutschen Sprache*, p. 658.

with the Ingaevones of Tacitus¹; they are mentioned by name by Ptolemaeus as dwelling at the mouth of the Elbe, in close association with the Angli and Suevi, who were probably identical. Portions of the tribes continued in the old settlements, and as Old Saxons preserved their ancient customs till at least the time of Bede², but we cannot allege any important difference in the form, so far as known, in which either branch of the tribe maintained the common customs and institutions of the people.

German culture.

Still less can we hope to form any very clear idea of the precise stage of civilisation they had reached. Their arms, wagons and ships prove that the Germans had a certain amount of manual and mechanical skill: it is probable³ that they were acquainted with the art of writing and kept rude chronicles of the doings of their race: they traded so much as to have a coinage of their own⁴, and some of the tribes must have had many opportunities of adapting to their own use the arts and appliances of Roman civilisation; but we have no means of estimating the exact stage of civilisation to which any of the English tribes had attained, before they invaded Britain.

Britain in the fifth century.

§ 13. Such was the condition of our forefathers in their continental home, and it is interesting to form some estimate of the condition of the island of which they came to take possession: the history of its conquest by the Romans does not concern us, but the colonisation which succeeded that conquest is of great importance.

¹ *Germ. c. 3.* Zeuss (*Deutschen u. Nachbarstämme*, pp. 150, 380) gives the earlier notices of these names, and in pp. 490—501 an account of the tribes at the time of the invasion of Britain and subsequently.

² *Hist. Eccl. v. c. 10.*

³ Guest, *op. cit.* p. 12, n.

⁴ Ruding, *Annals of the Coinage*, I. 101.

The Roman citizens greatly coveted grants of the broad territories which were subdued by their legions¹, and there was never difficulty in planting a new *territorium* with such settlers: the tenure on which they held their estates was technically known as *possessio*², since the land was theoretically resumable by the state, though as a matter of fact it was hereditary, and licence could be obtained for its alienation. But the old inhabitants were retained as *coloni*, the actual cultivators of the soil to which they were attached, though they had in other respects a considerable measure of personal freedom³. But the most important changes were those which were made on the actual land itself. All Roman *territoria* were laid out on one definite plan; roads were made both as great channels of communication, and for the purposes of tillage: these roads served as the limits of the different *centuriae* (of about 200 acres each) into which each *civitas* was divided, while the boundaries were marked with mounds, stones or trees, which defined in a permanent manner the limits of the various estates. Each *territorium* was thus laid out by the Roman *agrimensores*⁴, in rectangular portions which were designed to be permanent divisions of the soil.

The Romans were also accustomed to introduce such plants and trees as they thought would flourish in any new colony: the cherry and the vine were brought here by them, as in all probability were half of our forest trees, if the names are taken as evidence: Mr Coote also thinks that some herbs were introduced, and, among

¹ H. C. Coote, *Romans in Britain*, p. 239.

² H. C. Coote, *op. cit.* p. 125.

³ H. C. Coote, *op. cit.* p. 128.

⁴ A most interesting account of the laying out of a *territorium* will be found in Mr Coote's *Romans in Britain*, pp. 51—119.

The colonies in Britain.

- other things, quickset hedges¹. The whole country as far as Hadrian's Wall was portioned out, and the amount of corn produced must have been very great; the Roman settlers had built numerous cities, and in them the municipal and social institutions, to which the cultivated Italian was accustomed, were introduced. Of the high civilisation, and large population which existed in the island under the Roman occupation, we have abundant evidence. The colonies at Londinium and Verulamium possessed a population of which 70,000 were slaughtered in the days of Boadicea². A later panegyrist³ describes the rich natural productions, the minerals, flocks and herds, the commercial facilities, and the revenues derived from them, while we also learn that there were fifty-nine cities in Britain about the middle of the third century⁴.
- A.D. 61.
- A.D. 197.
- A.D. 250.

But before the English made any attempt at settlement this civilisation had received many rude shocks: the inroads of the Picts had been repelled, but the country had also suffered from the plundering expeditions of the Saxons: the imperial army and officers

¹ For a good summary of the effects of the Roman occupation, see C. H. Pearson's *England in Early and Middle Ages*, I. 55.

² Tac. *Ann.* XIV. 33.

³ Eumenius. Et sane non sicut Britanniae nomen unum, ita mediocris iacturae erat reipublicae terra tanto frugum ubere, tanto laeta numero pastionum, tot metallorum fluens rivis, tot vectigalibus quaestuosa, tot accincta portubus, tanto immensa circuitu. *Panegyricus Constantio*, c. 11. Merito te omnibus caeli ac soli bonis Natura donavit, in qua nec rigor est nimius hiemis, nec ardor aestatis, in qua segetum tanta fecunditas, ut muneribus utrisque sufficiat et Cereris et Liberi, in qua nemora sine immanibus bestiis, terra sine serpentibus noxiis; contra pecorum mitium innumera-bilis multitudo lacte distenta et onusta velleribus. *Panegyricus Constantino*, c. 9.

⁴ Ἐχει πόλεις ἐπισήμους 18', Marcianus, *Heracleota*, II. c. 14.

were withdrawn, and though the cities may have done their best to carry on the government, and did render a prolonged resistance possible under Ambrosius, the whole fabric of society must have been shaken. The destruction of commerce would affect the towns seriously, and the revenues of the proprietors who lived in them would be destroyed: so long as seed-corn could be saved from year to year, and sufficient population left to do the necessary labour, the annual harvests would continue to be reaped; but in many quarters they were gathered by the pirates who had not sown them. A.D. 510.

For if warfare was prosecuted by the northern tribes as a means of livelihood, it must not be forgotten that they lived by the transference, not by the production of wealth: there have been many curious relations between war and commerce: war has opened up new routes for commerce¹, or secured a footing for merchants in distant lands²; but the effect of invasion on industry is always hurtful, for it destroys the conditions which give most encouragement to steady labour. Bede's description of the state of Britain³ in the first half of the fifth century cannot be controverted, and a people which had been subject to attack from two different quarters, while they were torn with intestine quarrels, must have had their industrial system entirely disorganised; the towns especially must have suffered, and not impossibly in some cases, been entirely deserted⁴. *War and industry.*

¹ On the Crusades, see below, p. 119.

² On progress of our Colonies, see below, p. 334.

³ *Hist. Eccl.* i. cc. 14, 15, 16.

⁴ Mr Coote's most interesting volume, entitled the *Romans in Britain*, has been enlarged from an earlier work, *A neglected fact in English History*. He contends 1, that the *coloni* of the Romanised portion were Belgae, not Celts; that the Low German dialect we speak was the language of these *coloni* (as modified by contact with

*English
incursions.*

§ 14. The earliest expeditions of the English to Britain were doubtless intended for purposes of plunder:

Latin which has given us our W.), not of the invaders: 2, that the Roman tenure of land in its minutest particulars, and 3, that the police system (hundred and tithing), the municipalities and other Roman institutions, continued practically untouched by the presence of the savage Anglo-Saxon invaders, who assumed the prerogatives and property of the Emperor; till at length with the advent of the Danes, the descendants of the Roman inhabitants attained more freedom, and at the Norman Conquest shook off the Anglo-Saxon tyranny for ever. As this theory takes a very different view of the course of history from that adopted above, it seems necessary to state in a few words the difficulties which lie in the way of accepting an opinion which is supported by a mass of evidence, and much ingenious argument.

1. There is a difficulty in understanding how the *coloni* preserved their Teutonic speech under Roman domination; while the names in Britain appear to have been thoroughly latinised, and a Latin speaking element was apparently forced into Wales at the English invasion: we should have expected a Romance language here as well as in France and Spain. 2. The supposed preservation of the land tenure is incompatible with the existence of the mark: we could account for the existence of an agricultural system like that of the xivth century, but not for the mark which preceded it, and which seems to have been almost universal. 3. There is no evidence that Mr Coote has devoted much attention to German institutions as they developed on the right bank of the Rhine, while he has surely underrated the civilisation of the Saxon tribes before the invasion. Even granting that the various Anglo-Saxon laws he cites are closely analogous to Roman ones, it seems quite possible that they actually were of Teutonic origin. The accounts we possess of the conversion of England seem to leave no room for the supposition of a Belgic or Loegrian (not a Celtic) Christianity, such as we should expect to find surviving among the *coloni* along with the civil institutions. 4. There seems to be very little evidence that the municipalities organised themselves so completely for military purposes in the fifth century, and had retained their organisation so perfectly as to take the part ascribed to them in the Danish wars five hundred years later.

the existence of wardens of the Saxon shore is perhaps the only evidence we get of the actual occurrence of these incursions; but that suffices to confirm the conclusion to which all analogy leads us. We next find them mentioned as mercenaries under the tribal king of Kent¹, A.D. 449. and establishing a firm footing in the land where they were employed². For more than a century from that time the struggle continued, English settlers pouring in in successive bands, and at length obtaining complete possession of the country.

The invasion of the English differed from the invasions of most of the German tribes, since it was met by popular, rather than by imperial resistance; the possession of the country was not secured by transferring the reins of power from imperial officers to a barbarian king, but by the actual subjugation of the inhabitants themselves. Defeated in battle the Britons sought for refuge, not in the cities, but in the mountains, woods and fens, and few remained alive to submit themselves as the slaves of the barbarians. *Completeness of the conquest.*

Such is the account which is given by Bede; on its truth as a general statement of what took place we may certainly rely³. But although as a general statement it

This may suffice to indicate the general objections to which the theory seems to lie open: a crucial point will be raised below, p. 73, note.

¹ Bede, *Hist. Eccl.* 1. c. 14.

² *English Chronicle*, 449.

³ Gildas and Nennius confirm it amply: it has been attacked on two grounds, that of inherent improbability, and because of the silence of other contemporary historians. But if the English were opposed, not by an army, but by the people in arms, there is every probability that a war of extirpation was necessary to give the not relatively very numerous invaders perfectly secure possession. With constant trouble from the barbarians nearer home, the loss of an

Survival
of the
conquered
A.D. 491,

A.D. 633.

is sufficiently accurate, we should be mistaken in supposing that this account was strictly true of each particular district of the country. A series of incursions, ranging over a period of more than a century, would not be all met by the same kind of resistance. Some of the Roman cities were carried by storm, others like Anderida, were starved into meeting their fate¹, but London was able to escape destruction: so probably were Rochester and York², and some others; so that here and there throughout the land were preserved British communities, which paid a tribute to the conquerors, and by this means secured their lives. Nor should we be justified in supposing that these communities only existed in the cities: in the Yorkshire moors the people of the Leeds district held their own, and there is reason to believe that some of the conquered took refuge in the fens³, like island, for which the imperial government was no longer responsible, was not an event of which full details can be expected.

To meet these supposed difficulties it has been said, that the whole of the south-eastern shore was settled by Saxons before the Roman withdrawal: this view, which is taken by Lappenberg (*Saxon Kings*, I. 46, 112), seems to rest chiefly on an unsatisfactory explanation of the *litus Saxonicum*: others argue that a colony of English may have been planted by the Romans in Britain; this is a possible supposition, but not so far as I see necessary to explain the facts. Zosimus (lib. 1) describes Vandals thus settled in Britain. Coote, *op. cit.* 194

Again, we have Mr Coote's theory, which has been briefly discussed above, that the Saxons merely dominated over the *coloni* who, Belgic in race, were the real source of our English language, and partly Roman institutions.

¹ Henry of Huntingdon, II. c. 10.

² *English Chronicle* under years 616, 636. On the survival of municipalities in early English times compare a paper of Mr T. Wright, *Archæologia*, XXXII. 298—311.

³ There are a good many Celtic names preserved in Cambridge-shire; the laws of the Thengs Gild (Cooper, *Annals*, I. 15) imply

the followers of Hereward at the time of a later invasion : so too in Wessex itself¹ it seems that some of the Britons were so far successful in resistance as to maintain a footing as landholders. For there can be no doubt, that unless the slaughter proceeded from a mere ruthless love of destruction, the proportion of inhabitants who were preserved, in different districts, would vary. The traces of Welsh names are more numerous in Kent than in Sussex : and it seems not improbable that the conquest of the first kingdom was effected with comparative ease, and that there was in this case rather a usurpation than a conquest. So too in Northumbria the number of inhabitants preserved seems to have been considerable ; while the new settlements in the northern part of that kingdom were few and far between. In Cumbria and Strathclyde the chief power remained in Celtic hands, though some of the invaders found homes for themselves in that district². The names of their villages are the chief indications of the tide of English conquest ; though it has been suggested that the number of hundreds in different parts of the country gives us a rough idea of the number of English who settled there³ ; but this hypothesis is not confirmed by other evidence.

*who were
more
numerous
in some
parts than
in others.*

For our immediate purpose however it is not necessary to enter into the controversies about these institutions the continued existence of Welshmen round the town ; for it does not seem in this case that 'wealth' merely means foreign to the gild. See also *Liber Eliensis*, p. 112.

¹ Coote, *Romans in Britain*, p. 182.

² Such names as Cunningham in Ayrshire, Penninghame in Wigton, Workington, and Harrington in Cumberland, are evidence of these scattered settlements in a Celtic kingdom. On the meaning of such names, and the evidence they furnish as to the distribution of different septs, see Kemble, *op. cit.* 1. App. 1.

³ Pearson, *op. cit.* 1. 101.

*Effect on
the towns.*

tions; it suffices for us to notice that the long-continued struggle must have had the most serious effect on industrial life; that the towns, no longer centres of commerce, were deserted and decayed. There are indeed some towns which still shew their Roman origin by their plan: in Leicester, a double line of streets marks the course of the old wall, and the walls and main streets of Chester are equally suggestive. These towns may not have all suffered the decay which had befallen the old deserted city Granchester in the time of Bede¹, and which was the more common fate. With the decay of the cities came the disuse of many of the roads which led from them into the country around, while the need for communication between distant parts of the island was no longer felt: thus it was that many of the benefits which Britain had derived from the Roman occupation were lost in this time of disorganisation and warfare.

*The social
system of
the con-
querors,*

Each body of immigrants as they conquered a new district divided it into two portions: one was the *folkland*, of which the king was trustee but which was held for the purposes of the nation: the other was allotted to the freemen who had formed the main body of the army. The actual cultivation of their own allotments would be carried on by the freemen and their families, including any slaves or dependents they might have; while in the other case the actual cultivation must have been due to dependent, or unfree farmers, who did not enjoy the whole produce themselves, but provided the fund out of which the king supported his *comitatus* (*gesithas*, *thegns*). Such were the various classes of the community: the king and his thegns subsisting on the profit of the folkland; the freemen in the marks each cultivating his alod, the

¹ Bede, *H. E.* iv. 19.

unfree farmer on the folkland, the conquered or criminal slave in the household : other divisions there were, such as that among the freemen, of *earls* and *churls* according to nobility of birth, but these were main divisions which were necessitated and perpetuated by the industrial system.

A system of tribes isolated from or rather hostile to one another would give little opportunity for the maintenance of cities or of roads; the utility of any such material structure depends on the stage of civilisation which the inhabitants of the country have reached: and the ruin which was begun by the plundering expeditions was doubtless in many cases completed under the social system of the new occupants. *and the maintenance of roads and towns.*

To one point only need special attention be called: *Was there private property in land?* it is not clear that immediately after the English conquest there was any private property in land: there was not necessarily any in the mark, for the freeman's share in the village land was possibly still subject to re-arrangement in the mark-moot: and there was none in the folkland, of which the king was trustee, but not proprietor. The nearest approach to private property was in any municipalities and British kingdoms, where Roman practices still held good,—but subject to a tax to the conquerors,—or else on parts of the folkland, where *laeti* and *wealhs* may have continued to cultivate their old lands on somewhat similar terms.

§ 15. The coalescence of these little kingdoms into larger ones, and finally into the one English kingdom, need not necessarily have made any great change in the methods of cultivation, or in the status of the inhabitants. *Coalescence of kingdoms:* When two septs were joined the two folklands would be used by the victorious king for the support of an enlarged comitatus, but the cultivators of that land would keep

their old position, nor would the freemen of the conquered kingdom be necessarily enslaved. In one respect however such fusion was of great importance. The power of the kingly office increased with the increase of his responsibilities¹: and with the increase of his power the status of his personal dependents rose as well: the earl or even churl in a township was not so very far removed from a king whose realm consisted of only a few hundreds; but when the king ruled over several counties the case was different: and the thegns of these more powerful kings came to have a much higher social status than they had at first; the churl or earl kept his old position, while that of the others had greatly improved.

growth of
royal
power,

and of that
of the
thegns.

The chief means of maintaining these thegns—from folkland—has been already indicated; only when royal authority had considerably extended, did the profits of jurisdiction and dues from trade form a large portion of royal revenue: but it has not been noted that in thus devoting a portion of land to public uses the English were only perpetuating a custom which prevails in nomadic and half-settled communities. The power of a Kafir chief depends chiefly on the quantity of cattle he possesses, and with which he rewards his followers²: and the young men of the tribe frequent his court and

¹ Kemble, *Saxons in England*, 1. 147.

² Compare a *Compendium of Kafir Laws and Customs printed for the Government of British Kaffraria*, 1858. The reports which were sent by government officials describe many institutions which are curiously similar to Teutonic and Celtic ones. The judicial system, pp. 58, 74, the royal revenue, p. 29, the wergilds, p. 61, the position of married women, p. 54, are all of interest in this respect. The occasional removal of the kraal when the land is exhausted, p. 150, reminds one of the description given by Caesar. See above, p. 22.

do *busa*, as the *comites* attached themselves to a leader. Among the English, the thegn received his arms from the king, and they were returned at his death, the redelivery being a *heriot*; he was supported by a grant of land which the king allowed him so long as he did faithful service.

The introduction of Christianity was not of the same importance as a civilising agent in England as in the northern parts of the island¹; the remains of Roman roads, and of Roman traditions in the cities that had survived, were sufficient to prepare the way for improvements so soon as the English were able to take advantage of them; and the *laeti* and slaves would be well acquainted with Roman modes of tillage. There is comparatively little material advance that can be directly ascribed to Christian missions to England. They had great indirect importance however, for the fact that S. Augustine and the other leaders of the Roman mission came especially to the kings, and that Christianity was from the first a court religion, gave these teachers the position of royal dependents, closely analogous to that of the thegns². As the one did service by fighting for the king, so did the others intercede for him by their prayers; but while the military service could only profit him during his life, the prayers of God's priests might avail him in the place of the dead. It thus became desirable to secure the perpetual rendering of such service; and kings began to make provision for communities of priests, by granting them a

*The
Roman
mission*

*and priests
as Chris-
tian
Thegns.*

¹ The civilising influence of the Columban Church among the northern tribes can hardly be exaggerated: each monastery which was planted became a living witness, to a wild age, of the excellence of a godly life of industry rather than of one of contemplative piety, artistic work and education. Many roads in Scotland were due directly or indirectly to the existence of monasteries. Skene, *Celtic Scotland*, II. 351. Innes, *Scotland in Middle Ages*, p. 146.

² Lingard, *Anglo-Saxon Church*, I. p. 171.

Bocland,

piece of land where they might 'serve God for ever.' This land was secured to them by means of a charter (*boc*), and thus portions of the folkland were granted away as *boclands*.

*how
granted,*

As such grants were made out of public property for which the king was only trustee, they could only be made with the consent of the *witan*, and this may have been some protection against very frequent or very large grants: but as the kingdoms increased in size there was less possibility of a grand assembly of all freemen at the *witenagemot*; these were sometimes, in consequence, little more than a gathering of a few royal thegns, who did not put a very effective check on the disposition of the king.

*and often
obtained on
false
pretences.*

The character of the numerous monasteries thus founded, which were each independent and not responsible to the head of an order, depended very much on the character of the ruling abbot: in some cases no real discipline was enforced, and the pious purpose was only put forward as an excuse for securing land in perpetuity. These pretended monasteries were a source of grave scandal; but the advantages of a perpetual as opposed to a merely temporary possession of land were so great, that men were strongly tempted to endeavour to secure estates on these terms. Others succeeded in obtaining grants on the strength of an intention, which was never carried out, to found a monastery; and large portions of territory were disposed of, in what were little better than packed assemblies.

*Monopolising the
folkland,
A. D. 730.*

This process had already gone on to a great extent in the Northumbrian kingdom in the time of Bede, whose letters to bishop Ecgberht¹ give us very im-

¹ The letters are worth quoting at some length. Bede advocates the establishment of additional sees, and continues, "Ac si opus esse visum fuerit ut tali monasterio, causa episcopatus suscipiendi am-

portant information on the subject. He points out that most serious consequences must follow to the national economy from allowing the land to be thus monopolised.

plus aliquid locorum ac possessionum augeri debeat, sunt loca innumera, ut novimus omnes, in monasterium ascripta vocabulum, sed nihil prorsus monasticae conversationis habentia.....Et quia huiusmodi, maxima et plura sunt loca, quae, ut vulgo dici solet, neque Deo neque hominibus utilia sunt, quia videlicet neque regularis secundum Deum ibidem vita servatur, neque illa milites sive comites secularium potestatum qui gentem nostram e barbaris defendunt, possident; si quis in eisdem ipsis locis pro necessitatem temporis sedem episcopatus constituerit, non culpam prevaricationis incurrere, sed opus virtutis magis agere probabitur.....Ne nostris temporibus vel religione cessante, amor timorque interim deseratur inspectoris, vel rarecente copia militiae secularis, absint qui fines nostros a barbarica incursione tueantur. Quod enim turpe est dicere, tot sub nomine monasteriorum loca hi, qui monachicae vitae prorsus sunt expertes in suam ditionem acceperunt, sicut ipsi melius nostis, ut omnino desit locus, ubi filii nobilium aut emeritorum militum processionem accipere possint, ideoque vacantes ac sine conjugio, exacto tempore pubertatis, nullo continentiae proposito perderent, atque hanc ob rem vel patriam suam, pro qua militare debuerant, trans mare abeuntes relinquant, vel majori scelere et impudentia, qui propositum castitatis non habent luxuria ac fornicatione deserviant... At alii graviore adhuc flagitio, quum sint ipsi laici et nullius vitae regularis, vel usu exercitii, amore praediti, data regibus pecunia, emunt sibi sub pretextu construendorum monasteriorum territoria, in quibus suae liberior vacent libidini, et haec insuper in jus sibi hereditarium, regalibus edictis faciunt ascribi, ipsas quoque litteras privilegiorum suorum, quasi veraciter Deo dignus, pontificum, abbatum, et potestatum saeculi, obtinent subscriptione confirmari. Sicque usurpatis sibi agellulis sive vicis, liberi exinde a divino simul et humano servitio suis tantum inibi desiderii laici monachis imperantes deserviunt.....Sic per annos circiter triginta * * provincia nostra vesano illo errore dementata est, ut nullus pene exinde praefectorum existerit qui non huiusmodi sibi monasterium in diebus suae praefecturae comparaverit.....Et quidem tales repente ut nosti, tonsuram pro suo libitu accipiunt, suo examine de laicis non monachi, sed abbatis efficiuntur." §§ 10, 11, 12, 13.

The king could no longer support an effective body of retainers and the nation would be left defenceless; land monopolised by such men was of use neither to God nor man. Modern writers have noticed how the land rises in value as the community advances, so that certain proprietors gain largely through no efforts of their own¹: the desire to secure this unearned increment for the state, has prompted politicians in new countries to protest against granting any land in perpetuity there: the change against which Bede protested was the first step towards the state of things which Mill deploras, but the evils he saw were of a different kind: to allow a few men to monopolise the folkland in perpetuity was to sap the national resources, so that the army could not be maintained, or the veterans rewarded.

*a cause of
national
weakness.*

There is an interesting confirmation of Bede's warning in the sudden collapse of the Northumbrian kingdom so soon after his time; while Wessex, which ultimately absorbed the whole Heptarchy, was so situated that it was possible to keep up an effective *comitatus* by grants of the lands from which the Welsh were gradually driven back².

*Property
and
Monopoly.*

But this brings us face to face with the difficulty which is inherent in all private property. To secure a man in the possession of any goods is to give him an incentive to energy and forethought, but it is also to limit the field in which the care and forethought of others can be expended: where appropriation does not

¹ J. S. Mill, *Political Economy*. IV. 3, § 5. The unearned increment from land can however only appear when rents are largely affected if not determined solely by competition: for this important change see below, p. 270.

² Lappenberg, *op. cit.* I. 251. Evidence of the survival of the *princeps* and *comites* in Wessex occurs in the *English Chronicle* 755.

serve as an incentive to industry and forethought it is rightly stigmatised as a dangerous monopoly¹. In the time of Bede the land which served to support the defenders of the realm was being thus monopolised; we find an abuse of appropriation, where men, who are leading purposeless lives, are protected in the sole enjoyment of possessions of which other members of the nation would make a rational use.

§ 16. Such was the introduction of private property in English folkland²: possibly before, and possibly along with this novelty, private property in arable land was *Private Property in arable land of marks, and in bockland contrasted.* introduced among the freemen as well. The steps in this process have been already indicated³: intensive culture, the admitted right to the benefit of unexhausted improvements, and unwillingness to redistribute the arable land, till at length the right of the community to

¹ On the evils of monopolies in industry and commerce, see below, p. 316.

² It is not a little curious to notice that this, the chief though not the only economic influence of monasteries in England, did not occur from the planting of monasteries in Scotland. The Columban monasteries were endowed with land which was not alienated from the family which granted it, and the abbot was always selected from among the blood relations of the founder: the one who was highest in the monastic community was to succeed. It frequently happened however that a lay brother succeeded, or even a member of the clan, who had made no monastic profession at all: and thus the lands of the monasteries became secularised. The fundamental difference, which underlay all the questions between the upholders of the Scottish and Catholic usages at Whitby, was due to the fact that the one Church was organized on this tribal model, and the other on the territorial system which had come into vogue in the rest of Christendom. The subsequent history of the tribal Church in Scotland and Ireland proves the superiority of the latter system. *Shene, Celtic Scotland*, II. 68, 270, 365. Todd's *S. Patrick*, p. 158.

³ See above, p. 28.

make such a re-allotment fell into disuse altogether. But such appropriation of land, which had won the approval of the markmen as a matter of common convenience, is obviously of a very different type from that which originated in reckless grants of folkland, and which Bede condemned as a national blunder.

*Colonies on
the waste,*

From the time of the English settlement onwards another change was taking place: not so much in the direction of improving the cultivation, as of bringing a greater area under cultivation. Colonies were sent out to some distant part of the mark, and a new village started, which generally maintained some sort of connexion with, and therefore of subordination to, the mother village¹. The filial origin of many villages can be traced in their names—the common termination *thorp* implies that the place so called was an offshoot of some older village. But a still more important alteration was due to the practice of permitting a man who, with the consent of the markmoots or king, brought into cultivation a new portion of the waste, to retain it in private possession, and to withdraw this area of *terra porprisa* from being subject to the common rights of the other freemen. Those who were able to procure the necessary permission and carry out the scheme, thus obtained a piece of land which was entirely free from communal control.

thorp,

*terra por-
prisa,*

All these new conditions favoured the growth of greater inequalities of wealth and status within the social group: from the earliest times there had undoubtedly been a class of inhabitants of a lower grade than the markmen in the village community. For children and slaves, or for any strangers, some freeman had to be

¹ For an analogous condition in Russia compare the Cobden Club, *Systems of Land Tenure*, pp. 353—397.

responsible; and therefore exercised a control over them: and the chances and changes of life forced some of the freemen from time to time to sink into the condition of *slaves*. slaves—either from their poverty¹, or as a consequence of their crimes. But since a class of workers thus existed it was possible for the wealthy freeman to get the labour carried on by others on his behalf; indeed it was just this that rendered him free, for he had no occasion to render personal services. Where one or two members of the community so increased in wealth that they bought out the others, there was no reason to retain the old mark constitution at all, as there was no occasion for it to exercise its old function of directing the common industry, and the mark split up into a number of groups, where each freeman directed and organized the labour of his own dependents. *Increasing inequalities of wealth.*

In other cases the old organization was kept up², but its power was overshadowed by that of the most wealthy member, who while possessing a large private portion which had been cut out of the waste, retained an interest in the lands under communal management. What may have been the exact history of any particular group in England it may be impossible to discover; but we can with the help of analogies from other lands assign the general causes which led to the break-up of the mark system, and reorganization of its elements into groups of a new character³. *Growth of manorial groups.* In all agricultural labour there

¹ When William devastated Northumbria, and a terrible famine prevailed, some persons were forced to sell themselves into perpetual slavery. Roger of Hoveden, i. p. 119.

² Only in this case did it come to be a true Manor. Maine, *Vill. Com.* p. 134.

³ The corresponding change in Germany appears to have taken place many centuries later, and the survivals of the mark constitu-

must be some amount of combination and co-operation: in the earliest times this had been arranged for by the markmen themselves in the markmoot: but with the rise of private property and growth of inequalities there came a time when each of the more wealthy freemen preferred to organize the labour of his own dependents, though still maintaining a certain social connexion with his less wealthy neighbours, who, while free from the obligation of rendering him services on his land, were associated with him for judicial and political purposes.

Dependents of the Manorial Lord.

Just as the exact and detailed history of the rise of each of these manorial groups, into which society was eventually reorganized, may have been different, so were there considerable varieties in the composition of various manors. There are four different classes of dependent tenants which may be distinguished: in some manors one class, in some another was more largely represented, and it was not generally the case that all four were present in one manor. Some were *free tenants*, having a

than have lingered so long as to give a great mass of material for an exact study of the changes there. G. L. von Maurer has given a compendium of results in his *Einleitung zur Geschichte der Mark des Reichs*. The actual origin of the Manor in England has received comparatively little attention: on the one hand we have the continuity of the markmoot in its modern representative the parish vestry, though of course it does not follow that every vestry is the survival of some markmoot: it also survived as an element—the *Curia Baronum*—in the manorial jurisdiction (Maine, *Vill. Com.* pp. 136, 138; Stubbs, *Constitutional History*, i. p. 84). Kemble (*op. cit.* i. 23) appears to hold the view that there was an historical connexion between the headman, as president of the markmoot, and the Lord of the Manor. This is a tempting theory if we regard each mark as having been slowly transmuted into a manor; but it is better to regard the manors as rising from a reorganization of society into a decidedly larger number of new groups, as the mark system was gradually broken up. See above, p. 30.

political, but no industrial connexion with the lord of the manor: some were *boors*, who had helped to colonise the waste, and had holdings on it in return for services; some were *cotters* who had smaller holdings: these last are sometimes included in the general term *villains*, but this more properly applies to the class who were next below the free tenants, and owed the smallest amount of industrial service¹. Lowest of all were the slaves, or *serfs*, who generally had no holdings at all.

So far we have traced the growth of private property, first in chattels, and then in cattle, till at last we find it recognized in regard to land as well: it was through the disuse of common-rights, and the misuse of public trusts that this most generally arose—unless in the case of *terra porprisa*—but it may be said to have attained its full development when territorial possessions came to form the basis of political ties.

¹ For a full account of the subdivisions of these classes compare Sir Henry Ellis, *Introduction to Domesday*, i. p. 63 fol.

II.

COLLECTIVE INDUSTRY.

17. Tillage—Three-field system. 18. Self-sufficing industry.

*Hus-
bandry
and house-
wifery.*

§ 17. THE preceding sections have shown us the formation of various groups of cultivators, and the gradual changes which these groups were undergoing in the English tribes, during some centuries before and after their invasion of Britain¹. But however each group was administered, whether it was a monastery where the prior directed all, a community regulated by a headman, a manor where the bailiff was supreme, or whatever it might be, each group was *self-sufficing* and industrially independent of the rest. It could maintain itself in isolation from or in antagonism to neighbouring groups, for each group furnished the chief means of subsistence that were needed by the members. The wants for which provision had to be made and the available resources and means for satisfying these wants were capable of pretty close calculation, and each group formed an economic whole, since the husbandry and housewifery of the village could all be directed by one head². Each

¹ The manorial group had superseded the mark long before the Norman Conquest, for Domesday Book gives us an accurate knowledge of the rural system in the time of the Confessor, and shews us that the manorial system was then in a very advanced state. See below, p. 94.

² Compare Hermann, *Staatswirthschaftliche Untersuchungen*, pp. 10—15.

householder had his own property, chattels, cattle, or whatever else it might be; each had his own rights, and thus the work was carried on with the help of collective—even if not common stock¹—and by means of combined labour.

Whatever was the precise status of the cultivators *Common Tillage.*—as monks or markmen, or *laeti* on the folkland, or as a colony of boors on the waste, or as other manorial tenants,—and however their labour was directed, a similar method of tillage was pursued in all the groups. It was a collective system, and each man was a member of a body of labourers who carried on their work together; for clearing the ground, and for their ploughing and harvesting, some combination was needed. There was an aggregation of stock to provide the eight oxen that were needed for the team² to drag the wooden plough with which the work was done. This system of combined labour was quite practicable in many different social groups and all over the land, and for many centuries the same method of tillage was adopted. It has been *The three-field system;* already alluded to³ as an intensive system by which the same fields are cultivated over and over again; not as in the extensive system where a field is taken in, exhausted, and then abandoned for another.

The threefield method⁴ is one of a simple rotation of *crops, &c.* crops: a field is sown with wheat or rye in autumn, but

¹ Except in the case of monasteries, where all the stock was common property, or rather where none of it was private. In other groups common rights of more or less import survived.

² This was the usual team at the time of the Domesday Survey, but it varied: in Aberdeenshire twelve went to a team till new ploughs came into use. *Northern Rural Life*, p. 33.

³ See above, p. 29.

⁴ A two-field method or alternation of wheat and fallow was also in common use. *Fleta*, II. c. 72, § 5.

the slow processes of primitive farming are not over in time for autumn sowing in the next year; so that the succeeding crop, of oats or barley, must be sown in the spring, while the third year the field lies fallow. All the arable land near an English village was divided into three fields each of which was thus treated in turn, so that every year one had wheat or rye, one oats or barley, while one was fallow. In order that each household might have its fair share of the annual produce, it was necessary to allot to each a strip in each of the three fields; so that the land which each man claimed was scattered and intermixed with the plots of his neighbours.

ploughing. The land was generally ploughed three times in the course of the three years: the fallow was ploughed twice, once in June and once in September, just before the autumn sowing: after the wheat harvest it stood in stubble through the winter and was ploughed again just before the spring crop was sown: after the barley harvest the cattle were allowed to range over the land, a common right which has lingered on Lammas lands¹.

Survivals. Numerous survivals of this state of things can still be noted: the great turf balks which divided the fields from one another are still observable from the railway between Hitchin and Cambridge: within the present century the whole country between Royston and Newmarket is said to have been unenclosed, while a few isolated parishes, of which Laxton in Nottinghamshire, is an example, are, or lately were, in this condition. In many parts of the continent there is not only evidence that common tillage has existed, but it actually holds its own.

¹ G. Hansen in *Zeitschrift f. d. allg. Staatswissen* (Tübingen, 1863), p. 92, gives a full account of this system of tillage.

§ 18. Such was the tillage in the communities of English settlers: if however we wish to get a fuller account of their industry¹, and of the ways in which the other needs of the community were satisfied, we shall find it best portrayed in the stories of monastic life. We do not learn so much from reading of the life in monasteries in England, for these institutions were, as we have seen, generally endowed with lands, and subsisted on the profits of cultivation which was partially carried on by others; rather must we depend on the stories of life in the Scottish and British monasteries, which were the model villages of the time. In the island settlements where they were partly protected from the ravages of their neighbours, these monks set themselves to lead a life of godly industry, and to commend their religion as much by the life they led as by the preachers they sent forth. We read in Bede how the monks of Bangor² all lived by the labour of their hands and of disputes that arose from the sharing in labour³. The legends of many saints throw instructive light on these matters, but it is in the *Life of S. Columba* by his successor Adamnan⁴ that we get the completest picture of such a monastery, and of the various arrangements it contained: its granaries and mill, its oven and all the other offices. Even in monastic communities which did not depend for subsistence on the labour of the brethren, many trades were carried on. We hear of Bede's own labours: of another who was an excellent

*Monastic
Industry.*

A.D. 607.

¹ We may also compare the accounts of village life abroad. *Systems of Land Tenure*, p. 370.

² *H. E.* II. c. 3.

³ *H. E.* IV. c. 4.

⁴ Reeve's Edition, notes, pp. 334—369.

carpenter, though but an indifferent monk¹, of nuns at Coldingham who busied themselves with weaving². We cannot attempt to gauge the exact advance which had been made in any of these arts³, but we are justified in regarding each of these monasteries, and to some extent each of the villages, as a self-sufficing community where all the necessities of life were provided in due proportion without going beyond the limits of the village itself. The self-sufficiency of the nomadic community was remarked upon above⁴, and now we may call attention to the same feature as characteristic of these early villages, and as distinguishing them sharply from the most backward hamlet in the present day: their food came from their fields, and their herds: the flocks supplied the necessary clothing; from the waste land they got fuel, and there the swine lived on the acorns and mast⁵: honey held the place of sugar as a luxury. Salt was the one requisite which could not be produced in many of the inland villages by the efforts of the inhabitants themselves, and which would therefore be a very profitable industry in those places where it was possible to obtain it. This was the one article the desire of which would tend to bring about the existence of trade from the very first.

Self-sufficiency of the villages, &c.

Trade.

¹ *H. E.* v. c. 14.

² *H. E.* iv. c. 25.

³ In the tenth century Englishwomen had attained great excellence in art embroidery. The story of the East Saxon alderman who fought the Danes at Malden was embroidered on a curtain by his widow, the lady of Ditton, and presented to the minster at Ely, where his body lay. *Liber Eliensis*, p. l. ii. c. 7. Freeman, *Norman Conquest*, I. p. 274.

⁴ See above, p. 21.

⁵ The plentiful supplies which a waste might furnish can be gathered from the panegyric on Ely at the time of Hereward's defence, *Liber Eliensis*, p. 229.

In carrying on some of the industrial pursuits mentioned above there might of course be combination of labour, either voluntarily undertaken for a short time, or taking a permanent shape like a sort of joint-stock craft gild. Such *artels* exist in Russia¹, and there might have been some corresponding type in the English villages—even though there is no evidence of its actual existence; most probably however they hardly existed here, as the groups seem to have been too much alike, and the means of communication too slight, to give scope for labour exactly like that of the Russian village workmen, who frequent towns for the winter, or at least regard them as their market. In so far as the labour in a village depended on outside employment or an outside market, it ceased to be a self-sufficing economic whole: and to German villagers² this seemed so much of an evil that they set themselves against the trading that led to this result. *Protection.*

¹ Wallace, *Russia*, p. 87.

² Von Maurer, *Markverfassung*, p. 179. We find traces of a complete protective system on the part of these *self-sufficing communities*, closely analogous to the protective system adopted later with the view of keeping England a *self-sufficing country*. See below, p. 405. The sale of rare products to other villages was strictly forbidden by these marks, and of many chattels only allowed after the markmen had had the refusal of them.

III.

BARTER AND FACILITIES FOR EXCHANGE.

19. Conditions and Limits of Exchange. 20. Existence of these conditions in England. 21. Opportunities, centres and regulations of Internal Trade. 22. Barter, Money, and Circulation of Wares. 23. Industrial and Social Effects of Trade. 24. Nature and extent of Foreign Trade.

*Conditions
of ex-
change.*

§ 19. NOT till the rights of property are admitted, can there be any possibility of exchange; in all early societies opportunities for it only occur very occasionally. In any one tribe the chattels of one man are not markedly unlike the chattels of another; there is little likelihood of exchange within the limits of the tribe, and so far as neighbours go, there is more temptation to steal from them than to trade with them. As the respect for property extends or can be enforced, and when new articles are brought within the reach of any community, barter naturally springs up. But it is only on the occurrence of visits from strangers, or other unusual occasions, that the most necessary condition for the exchange of goods are found in such primitive communities.

Barter.

Exchange in its earliest forms will always be barter, the exchange of one object of use for another object of use, but even in this simplest form there are distinctions which are worth noting. The man who is most anxious to conclude a bargain will always gain less advantage from it than the other: the savage, who covets a sailor's

*The least
anxious
bargainer.*

jack-knife, and feels that anything he has would be worth sacrificing for the sake of possessing it, will be willing to give a tusk of ivory or anything else the sailor fancies: the savage gratifies his pressing need, but the sailor has got an article which would usually give him much more trouble to procure than another knife would. The man who is least anxious about the matter drives the best bargain: we may call him the, even in a case of barter, *seller*, and the man who has set his heart on a particular article, the *buyer*.

Again we may see the *limits* within which the exchange can take place: the jack-knife has a certain usefulness to the sailor, he would not part with it except for an amount of ivory which would at least enable him to buy another: while the savage sees no prospect of securing another if he lets this opportunity slip, and its usefulness to him is immense¹. If we regard the ivory as a medium of exchange, we may say that the buyer will not offer more ivory than represents the usefulness-of-the-knife-to-him, and the seller will not take less than represents the usefulness-of-the-knife-to-him. In technical language, *value in use* to the buyer and *value in use* to the seller give the extreme limits within which the price in ivory can fall.

The consideration of the limits of exchange enables us to understand the nature of the gains that are made by traders. The trader has a supply of knives or other articles which the savages are anxious to use, and he gets from them articles which he does not himself want to use, but only to exchange again²; his own anxiety is at a minimum

Limits of Exchange.

Gains of tradesmen.

¹ So too, when there is no medium of exchange, there will be similar limits in regard to parting with and offering for the tusk.

² This distinction is very clearly stated by Aristotle: *ἐκδοσὶν γὰρ ἀνθρώποις ἄλλα ἢ χρῆσις ἐστί, * * ἀλλ' ἢ μὲν οὐκ ἐστὶν ὅτι οὐκ*

and thus he can, in the absence of competition, drive up the price to almost the point of value-in-use to the buyer. He may be able to drive a similarly good bargain in disposing of the commodities received in exchange, to others who mean to use them. This is the secret of the enormous profits made by the merchants in eastern caravans, amounting to 200 or 300 per cent.: they do business on a system of tedious bargaining in which they reap a benefit through the difference between the importance of an article to one who wants to use it, and its importance to one who regards it as a mere article of commerce.

*Conditions
for trade in
England.*

Keeping in view these distinctions in regard to barter, we may go on to consider the evidence of its existence and development in England.

*Need of
salt,*

§ 20. It has been already remarked that the communities which raised a collective livelihood, were almost entirely self-sufficing: but there are few places where men can continue to subsist in entire isolation. Even the Arab, who with his flocks and date palms¹ is largely provided for, still depends on the caravans for salt, and many of the English villages must have been similarly supplied. Till root crops were introduced it was difficult, from lack of fodder, to keep any large quantity of cattle all through the winter; and accordingly the meat for winter use was prepared and salted down in the autumn. Unless the first English settlers were more strict vegetarians or better acquainted with the management of meadow-land than we can at all suppose, they must have practised this

οικεία τοῦ πράγματος, ὡς ὑποδήματος ἢ τε ὑπόδεσις καὶ ἡ μεταβλητική. ἀμφοτέραι γὰρ ὑποδήματος χρήσεις· καὶ γὰρ ὁ ἀλλαττόμενος τῷ δεομένῳ ὑποδήματος ἀντὶ νομίσματος ἢ τροφῆς χρήται τῷ ὑποδήματι ἢ ὑπόδημα, ἀλλ' οὐ τὴν οἰκίαν χρήσιν· οὐ γὰρ ἀλλαγῆς ἐνεκεν γέγονεν. *Politics*, I. c. 9, §§ 2, 3. See below, p. 245.

¹ Herzfeld, *Handelsgeschichte der Juden*, pp. 4, 13.

system of salting down meat in autumn: and salt must have been a specially necessary article for their use.

Besides this there were other ways in which the natural differences between localities must have made themselves felt: metals could not be everywhere obtained *metals,* —for the point of the wooden ploughshare, and for arms if for nothing else: some wastes must have been more favourable for sheep and others for swine: some land for corn and some for meadow: all such natural differences would render internal trade immensely advantageous¹.

It is impossible to guess at what time the social con- *Boundary*
ditions, which can alone render trade possible, became *stones.*
general. As long as each mark was hostile to every other, defended not by any respect for the property of others, but by the wide extent of its own waste from the predatory incursions of neighbours, regular trade would seem to be impossible. Even then, however, the advantages of trade were so clearly felt that the boundary place between two or more marks came to be recognised as a neutral territory where men might occasionally meet, if not on friendly terms, at least without hostility, for their mutual benefit. The boundary stone was the original of the marketcross, the vacant area of the market- *Mer-*
place², in which travelling merchants exposed their *chants.*
wares. It is thus that a good deal of regular trade may go on even in a country which is disturbed by constant feuds, and where every hamlet is liable to be plundered by the men from other villages. There is no reason for

¹ Compare Aristotle's account of early bartering as distinguished from trading for the sake of profit: ἡ μὲν οὖν τὰ αὐτὴ μεταβλητικὴ οὐκ ἐπὶ φύσει οὐκ ἐκ χρηματιστικῆς ἐστὶν εἶδος οὐδὲν· ἐπὶ ἀναπλήρωσιν γὰρ τῆς κατὰ φύσιν ἀναγκῆς ἔστιν. *Politics*, I. c. 9, § 6.

² Maine, *Village Comm.*, 192. Compare also Sir John Lubbock's *Origin of Civilisation*, p. 205, on the various functions which boundary stones have served.

supposing that there may not have been a certain amount of internal trade from the earliest days of the English settlement. We may perhaps add that the market and its customs may have been instituted among the tribes before their immigration, and imported rather than developed here.

*Christian-
ity and
Trade.*
A.D. 600.

The conversion of the English and the foundation of monasteries gave a considerable impetus to trade: the sanctity of the site of many monasteries gave a certain measure of security, while the requirements of divine service introduced new needs, which could be best satisfied by articles brought from abroad. The number of altar-vessels, vestments, books and ornaments required might not be very great, and many of them were donations, not articles of trade: but their introduction implied intercourse with other lands and an acquaintance with foreign arts which afterwards flourished here: the use of glass is a case in point¹.

A.D. 670.

On the whole it seems that from very early times there must have been regular trade; not indeed carried on from day to day, but still, in regular places at particular times; no longer like the occasional visit of a ship to a savage island, but at more or less frequent intervals which could be anticipated, and for which preparation might be made. And this introduces a most important step in advance: when men engage in labour, not for the sake of satisfying their own wants by the things they produce, but with a view to exchange, their labour results not only in *chattels* for their own use, but *wares* for the market as well. And there is a farther change to be noted; while there is no opportunity for exchange, it is never worth while for anyone to preserve a surplus:

Wares.

¹ Fuller, *Church History of Britain*, I. 216.

a very abundant harvest will be prodigally used within the year, and so with all other supplies; but the existence of opportunities for trade makes it worth while to stow in *warehouses* for sale¹, all that need not be used by the producers to satisfy their immediate wants. *Warehouses,*

§ 21. The conditions under which trade can com- *Centres of*
mence,—a certain measure of security and a decided *trade.*
need for commodities which could be supplied from other localities,—were present in England: we may proceed to the consideration of the manner in which this trade was at first carried on: there were various nuclei² round which it centred.

From very early times men have gathered to celebrate *Funeral*
the memory of some hero by funeral games, and this has *gatherings.*
given the occasion for meeting and for trading, so that fairs were held annually at *places of burial*: to these the men of surrounding districts flocked, as they gave the best opportunities for making a satisfactory exchange. When Christianity was introduced, and monasteries sprang up at the grave of each early martyr, the commemoration of the saint became the occasion of a similar assemblage³; and thus religious gatherings served as great opportunities for trade. Shrines, which attained a great celebrity, and were constantly frequented, were spots where trade could be carried on all the year round. Thus the origin of Glasgow may be traced from the *A.D. 570.*
burial-place of S. Ninian⁴. It is to be noted too that a stream of pilgrims, even if they journeyed with no other than religious aims, opened up a route that could be

¹ Hermann, *Staatswirtschaftliche Untersuchungen*, p. 25.

² Compare Schäffle, *op. cit.*, III. 152.

³ Village feasts not infrequently fall on the day of the dedication of the Church, and shew the universality of the tendency here noted.

⁴ W. F. Skene, *Celtic Scotland*, II. 184.

used for other purposes: the regular establishment in the 12th century of a ferry across the Forth was due to Queen Margaret's desire to provide for the transit of the pilgrims who flocked to S. Andrews¹.

A mark.

In some places a single *mark* has grown into a town, and such names as Birmingham indicate this origin; something of the old administration still survives in the town of Lauder in Berwickshire to which Sir Henry Maine calls attention; and there may doubtless be numerous other cases, even though the original constitution is not so clearly preserved as it is in the system for the management of the land of that town.

Coalescence of marks.

In other cases the origin of a town can be traced to the *coalescence of several marks*: this has, as indicated above, been so frequently the case that it seems to be the normal mode of development. Many of our towns have grown thus², and it is not impossible that any of them where several parishes abut on the market-place may have had this origin, as the parish is the nearest modern representative of the mark³.

¹ Skene, *op. cit.*, II. 351. For the connexion between pilgrimages and village trade in Russia see *Systems of Land Tenure*, 370.

² At whatever time the part of Cambridge on the south side of the Cam had its origin, we may say that it was due to a coalescence of marks, of which traces are left in the many commons that lie within its boundaries: the north part of the town is of course Roman in origin; for its exact position see Prof. Babington (*Roman Cambridgeshire*). For notices during early English times see Bede (*H. E.* IV. c. 19), the *Chronicle* (under 931), Henry of Huntingdon (v. c. 25). For the Cambridge of the time of William the Conqueror see Freeman's *Norman Conquest*, IV. The two following centuries witnessed the most extraordinary growth of the town; the establishment of a large Jewry, and the building of several parish churches, chapels and hospitals.

³ The negative inference may certainly be drawn that towns

In some cases *forts* served as the nucleus round which trade centred: a very large number of the Midland towns date from the time when the Danes took up strong positions from which to plunder the country, or when Edward and Æthelfleda built fortresses to keep them in check¹. A.D. 913. Such are Bridgnorth, Hertford, Tamworth, Stafford and Warwick, though some of them may of course have been places of importance even before that time.

Lastly, the English would inherit the remains of Roman cities and commerce, whatever these may have been. It has already been said that London and York lived through the storm; their ground-plan seems to shew that Chester and Leicester have a continuous existence from Roman times. The Roman roads would long supply the best means of intercommunication, so that newly arising trade would often follow the ancient tracks.

But when we have thus enumerated the different spots which commerce favoured, there is still much that must remain wholly unexplained. The growth of a town on any of these spots was undoubtedly due to natural advantages of site and position: but it cannot be too often repeated that natural advantages are relative to the condition of human beings: what served as a good natural harbour two hundred years ago, would be useless now: and so with all other means of communication. It is hard enough for us to try and realise the condition of any English town in, say the ninth century, and quite impossible for us to gauge the natural advantages² of one

like Leeds, Bradford, Liverpool, which lie almost entirely within one parish, have not originated thus.

¹ Kemble, *op. cit.*, II. 321.

² Compare however the remarks made by Professor Innes in his introduction to the *Burgh Laws*, p. xliv.

spot over another, for the conduct of a commerce which we understand so dimly.

Traders.

Of those who frequented the markets this only need be said, that though there was a well-defined trading class¹, yet for articles of home production, trade probably centred at spots where those who produced the different articles could meet one another. Hereward disguised himself as a potter when he visited William's camp, and was found out because no potter of his appearance was known in the district². With foreign trade, so far as it existed, the case was not the same; but internal trade was carried on by men who brought to market the surplus of their own production.

Transactions.

The real difficulty was in the management of the transactions themselves; the disadvantages inherent in barter we shall consider below, but it is very hard to understand how commerce could go smoothly, even though business was necessarily conducted publicly³ before witnesses who could speak to the local customs. There were no generally recognised weights and measures⁴, and

¹ Lappenberg, II. 355: *Laws of Ine*, c. 25, of *Alfred*, c. 34, *Hlothhere and Eadric*, c. 15, in Thorpe, *Ancient Laws*.

² *Liber Eliensis*, 235.

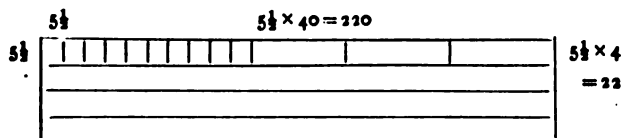
³ *Laws of Edward*, c. 1, of *Æthelstan*, 10, 12.

⁴ Some of the measures of length in common use are obviously derived from the human body, such for example are the *foot*, and the *yard*, or arm's length. But these are inconvenient for measuring any considerable area.

The *hide* of which we so commonly hear was said to mean as much land as would support a family: it consequently includes waste, and is not originally a measure of arable land; from the laws of Ine, cc. 64, 65, 66, it seems that $\frac{1}{2}$ or $\frac{2}{3}$ was a fair proportion of arable land on the hide. The size of the hide must obviously have varied according to soil, &c., and did vary extraordinarily in different counties (Eyton, *Key to Domesday, Dorset*, Introduction, p.

13). After the Conquest it generally consisted of 120 and sometimes of 100 acres: and in the time of Edward I. it was differently estimated according as a two-field or three-field system of tillage was in vogue (*Fleta*, II. c. 72, §§ 4, 5). See Appendix I.

Mr Kemble suggests that five yards and a half is as nearly as possible the space required for turning a plough: this suggestion can be worked out into a very ingenious hypothesis as to the natural origin of the *acre* as a measure of arable land. If we take a



In some parts of Scotland it was till recently (1790) usual to estimate land by the seed necessary to sow it, and to speak of a 'friet-sowing,' which corresponded to the rood, as a *boll* of seed did to a Scotch acre; (*Statistical Account* of the Parish of Wick, p. 148). In a similar way it may have been customary to derive a

stolen a purchased article. Thus it was that each transaction had to be publicly witnessed, and that associations

unit of mass from a unit of area. In the *Assise of Measures* measures of mass are derived from the quantity of wine (*gallon*) that weighs a pound.

There is some difficulty in suggesting a natural unit for measures of weight or of mass : but there is no improbability in the account in the Statute Book (see below, Appendix 11.), where measures of weight are derived from the grain, as also is the inch from three barley corns. Two different pounds are traceable, which are further confused by the various arrangements for the reckoning of pounds of silver (§ 22, below, p. 107). One of them was equal to the Tower Pound, containing 240 *denarii*: when applied to silver it gives us the coins current. Thirty pennies were a mark: the *solidus* in Wessex was five, in Mercia four, and after the Conquest twelve pennies. The estimate of wergild and of prices or rents is so generally in terms of shillings that these differences make any calculation of prices difficult. The values of cattle occur in the *Ordinance respecting the Dun Setas*, and the prices closely correspond to those which occur in the *Leges Henrici Primi* when due allowance is made for the difference of the *solidus*, and even with the values of stock in the thirteenth century (*Domesday S. Paul*, p. xliii). Land in Cambridgeshire about the tenth century sold at one shilling an acre, and the stock on it seems to have been valued at more than half the worth of the land in a particular instance (*Liber Eliensis*, 158).

Measures of mass present great difficulties, but it is clear that the same term is used for different quantities (see Appendix 11.). It is worth while to remember that such differences still exist: the peck and the bushel are different in Dumfries and in Carlisle markets: measures are apparently founded on some standard, which was adopted as natural in each district.

These differences were certainly not effaced by the great survey of William: that is a record of local customs as remembered by local witnesses; if the payments were estimated in the same terms, it was all the uniformity that was of importance for William's purpose, as he wanted to know the revenue not the exact area of the country. The local differences of land measure lasted for centuries after his time.

for the enforcing of fair dealing, and for giving security to property were necessary. Where the commerce was centred in the lands of an abbey, the bailiff might secure the necessary order; in marks, and in Roman towns or Danish burghs¹, there was already a government for other purposes; but at centres where these were wanting, the necessary regulation was supplied by mutual associations for the maintenance of order², known as *Frithgilds*.

§ 22. A proportion, though certainly not the whole, *Barter.*
of this English trade up to the time of King Alfred was *A.D. 870.*
mere barter: it is easy to see that the use of money is highly advantageous, and that barter must give place to the circulation of wares so soon as society advances. In every bargain one man is more anxious to complete the transaction than the other, and is therefore at a disadvantage; but his disadvantage is much greater when he cannot offer an object of general desire, but has to tempt the seller by proposing to give the chattels he happens to have. Simple barter does not afford facilities for many exchanges which would be advantageous if they could be carried out. I have a coat which I want to exchange for bread; you have bread which you want to

Considering the difficulty of defining measures which are authorised and in common use (W. S. Jevons, *Principles of Science*, 1. 357), there must have been great difficulty in obtaining general recognition for any system.

It may just be added that the variations in the size of the hide are inconsistent with Mr Coote's identification of *hides* with *centurie*, of 200 or 240 jugera. If this link in his argument fails, the whole attempt to derive land laws and social distinctions from Roman civilisation falls to the ground. The prices given in the *Liber Eliensis* are also inconsistent with the variety of *hide* he recognises, p. 264.

¹ Stubbs, *Const. Hist.* 1. 93.

² For the regulations of the Frith Gild of London, see *Æthelstan's Laws*, vi. See below, p. 124.

exchange for boots: unless a third party comes on the scene it may be impossible for us to come to terms at all. There may be a similar difficulty in effecting an exchange when the right articles are present, but in quantities that cannot be fairly equalised. All these disadvantages in barter are obvious, but it is worth while to try and notice how far they can be overcome before the general introduction of coinage.

*Functions
of Coinage,*

To discuss this we must consider the various functions which are performed by coins¹. It is in terms of coins that we reckon the value of different articles, one is worth five, another six shillings: a current coin serves as a *unit for the comparison of wares*. Again, coins are universally desired: people are always ready to accept coins, because it is a form of wealth for which they can always find a use: coins are therefore a *medium of exchange*, and as they are very divisible and equable they form a singularly good medium. Again, when payments have to be made at any time in the future—or over a period of years, it is coinage that gives a *standard for deferred payments*; while lastly, the compact form in which a great value is contained makes coins a suitable commodity for *hoarding*.

*how dis-
charged
before*

In early stages of society cattle are universally desired, as also are slaves, and these articles can therefore be used as *media of exchange*²; but it is obvious that as a living animal cannot be divided, slaves or cattle only serve this purpose for large payments. Though they probably had

¹ Walker, *Money*, pp. 1—23.

² Skene, *Celtic Scotland*, II. 59. For the use of slaves compare Haddan and Stubbs, *Councils and Documents*, II. 127, where canons are quoted in which payments are reckoned in *ancillae* and *servi*. See also *Ancient Laws of Ireland* (Record Commission), I. p. xlvi. *Cumhal* (originally a female slave) is constantly used as a measure of value.

no better media in some pre-historic periods the English were acquainted with the use of coinage for smaller payments at the time of the occupation of Britain. We are accustomed to a sharply defined unit represented by a definite piece of metal in terms of which the value of articles can be measured, and can scarcely see what meaning prices would have if no such tangible unit existed. But their circulating media were little used for this purpose, and it is possible to manage fairly well with an ideal unit for money of account: one could compare a book worth five shillings with a stool worth six, even if no shillings were ever coined; this was actually the case, and the *solidus* was a *unit of comparison*, but a merely ideal unit¹. For *deferred payments* it was customary to agree to give a curious variety of commodities²; if one was scarce the other might be abundant, and the arrangement was probably a very fair one. Uncoined precious metals served as well for *hoarding* as coins do, and each of the kings would doubtless aim at the posses-

¹ Palgrave, *Rise and Progress*, 1. 44. It is worth while to refer to an analogous case: in the village communities which still exist (1863) in the South of Westphalia and carry on a primitive tillage on the extensive system, there is an ideal unit in which land is measured. Achenbach, *Haubergs-Genossenschaften Siegerlandes*, p. 5.

² An example is in the Tichbourne estate, twenty hides of which were granted by Edward the Elder to the bishop of Winchester on this condition, among others, 'that every year at the return of the day there be given twelve sesters of beer, and twelve of sweet Welsh ale, and twenty ambers of clear ale, and two hundred great loaves, and a third of small, and two oxen, one salt the other fresh, and six wethers, and four swine, and four fitches, and twenty cheeses. If it happen in Lent, then let the worth of the flesh be obtained in fish unless it be extremely abundant.' Thorpe, *Dip. Ang.* p. 158. We have here in actual use a system of payment which has a curious resemblance to the plan of a multiple legal tender proposed by Prof. Jevons, *Money*, p. 327.

sion of such a treasure. As trade flourished it would become more possible to procure the precious metals: if Thorpe's collection of documents is really representative, it would seem that during the ninth century these metals became much more abundant. Occasional donations of them are mentioned after 811, and regular money payments from tenants appear to date back as far as 900.

*Its general
introduc-
tion.*

We may thus see that all the various functions of money could be performed, if not so well, at least to such an extent as to render the circulation of wares¹ possible before the introduction of coins. That step was an expensive one: it is not every man who is well supplied with ready money, and it is not every community that is so rich as to be able to afford the amount of precious metals which must be provided before there can be a general circulation of coins. When the advantages of coinage were clearly realised, and when the kings saw that taxes could be more easily collected, or that by promoting trade they could increase their own dues, they would doubtless make great efforts to provide a metallic currency. We shall not perhaps be far wrong if we argue that the imposition of the Danegeld implies a pretty general diffusion of the precious metals through the country before that time.

A.D. 991.

*Effect of
trade.*

§ 23. In a preceding section the general character of the industry and tillage in vogue at the first settlement of the English in Britain was considered; but we must return to this subject in order to note the effect which a developing trade had on the life of the small communities. We have found a state of society where trade was possible, rather than absolutely necessary; but so soon

¹ K. Marx, *Das Kapital*, 83—93.

as trade came to be general and regular, the condition of these communities was necessarily affected.

One such effect, the formation of *warehouses* and the production of *wares* for the market, not for consumption on the spot, has been already noticed: and this further implies the *specialisation of industry* in different communities. Each community will expend its spare energies in that direction—be it cattle breeding, corn growing, salt manufacturing, or aught else—in which it can obtain a surplus most easily. Its special natural advantages will be developed, and made the most of, as soon as a market is opened in which other desirable goods can be obtained. Thus the isolation of the various communities was broken down; one was the source whence many were supplied with some article, and it drew in turn on them for the satisfaction of other wants: the villages are no longer isolated but *interdependent*. *Specialisation of industry.* *Interdependences of villages*

This specialisation of industry cannot go very far without bringing about changes within each of the communities. So long as the labour of all is consciously engaged in the direct supply of felt wants, the various labourers are parts of a single whole; but when the industry becomes specialised for the sake of supplying a market, two distinct interests begin to appear,—that engaged in the direct supply of wants by labour, and that engaged in the indirect supply of wants at home by producing a surplus which can purchase other wares in the market. The management of the collective resources does not necessarily break down under this severance of interest: in communities already alluded to near Treves the old administration continues to direct both tillage and charcoal burning¹: but when the pursuit of the *and breaking down of collective administration.*

¹ Achenbach, *op. cit.* p. 11. In so far as these employments can

*Regular
trade and
division of
employ-
ments.*

industry for which a place is best suited implies the withdrawing of certain labourers from other employments, two classes spring up, one labouring for the community and one for the market, and the collective administration becomes strained. The salt manufacturers become dependent on their neighbours for corn, and the corn grower for the cloth which salt purchases; thus instead of a community in which each provides for his own wants, but in combination with the assistance of others, we have a specialisation of industry and a division of employments within each community¹. There can be no set of men entirely devoted to one employment, unless there is a market where they can dispose of the product, and means at hand for procuring sustenance. The growth of trade not only caused the various communities to be interdependent, but generally broke up the collective administration in each, or rather, limited it to the direction of those employments that had direct reference to local wants.

*The Lord
of the
Manor.*

In § 16 the growth of the manorial power was briefly sketched: it is clear that in many places the special natural advantages of the locality had come under the direct control of a manorial lord. So long as he did not trench seriously on the rights of the markmen he could utilise the unoccupied ground in the way he deemed wisest: he could for example either plant a new village or devote the land to sheep-farming. Owing to his carefully defined position it would be difficult for the freeman to apply himself to new industries; it was the lord of the manor who had the means and the labour of

apparently be carried on by the same men at different seasons of the year, there is no real specialisation of industry in this case.

¹ See below, p. 210.

dependents at his disposal so as to supply the markets with the products of the place. The existence of trade would still farther increase the distance between the lord of the manor and the free tenants, if indeed it was not one of the chief elements that severed them.

Thus it was that industrial and social changes necessarily followed the introduction and growth of *regular trade*.—that is the recurrence of definite opportunities for exchange, on which men could count. But these very social and industrial changes were themselves highly beneficial: the localisation of industry meant the development of the special advantages of each village and therefore an immense improvement in the national resources: with a greatly increased industry came the means of procuring the productions of other countries, and this is the most necessary condition for the commencement of a regular foreign trade; only the increase of industry can enable a nation to enjoy an increase of trade. That this took place we shall now see.

§ 24. So far we have limited ourselves almost exclusively to the consideration of internal trade, though the social changes described in the last section would of course follow whether the marketable products of a community were consumed in England or exported. But we have noticed at least one change, which could *Foreign Trade in* not have taken place but for the existence of foreign trade: only by trading could a sufficient quantity of silver be obtained, for the introduction of a circulating medium.

During Roman times, Britain was a great corn-producing country¹, and this, as well as tin from Cornwall, *tin*,

¹ Eight hundred large vessels were sent on one occasion to procure corn for the Roman cities in Germany, according to Zosimus, lib. 3, p. 145.

were the chief articles of export: it is possible that the citizens of London were able to keep up a certain amount of trade all through the time of the Roman desertion and English occupation, but when we next get any clear account of the staple articles of English trade, we find that they have entirely changed. It is true that there is a period of many centuries for which we have no direct evidence as to the chief articles of commerce. Henry, the Archdeacon of Huntingdon, wrote in the time of Henry II¹: we cannot take him as an authority for the state of English trade in the ninth century, but we may at least say that it was more likely to resemble the condition he describes than that which is recorded by Roman writers. With the desertion of the Romans, the exportation of corn to the Roman market would cease: while the excellence of a natural product like English wool soon obtained attention. Just as internal trade was possible when the special advantages—on whose cultivation it so quickly reacted—were noticed, so the special advantage of England for the production of wool made a trade between England and the continent inevitable, so soon as the social conditions had become favourable.

A.D. 1154.

*and on
wool.*

*Facilities
for traders.*

The Londoners and other inheritors of Roman civilisation would be ready to re-establish commercial relations with continental towns at the earliest possible date: in other cases the immigrants might keep up communication with related tribes on the mainland. The foreign shipper was recognised and afforded some protection as early as the beginning of the eleventh century²; the

¹ See below, p. 135. For articles of import in London in Æthelred's time, compare the dooms in Thorpe, *Laws*, 300.

² And let every merchant ship have 'frith' that comes within port, though it be a hostile ship, if it be not driven. And though it

English merchant who had made three successful voyages attained to higher civic rank'. The first regular settlement of foreign merchants on English soil was probably the London Hanse, which dates from at least the time of Æthelred the unready. In all probability German A.D. 1000. merchants must have frequented the port long before this regular arrangement for them¹.

To form any estimate of the extent of the commerce *Extent and* is of course impossible, it is only by analogy and incidental evidence that we can even gather that a trade existed, and what was the staple article of export. We have similar evidence that the trade was considerable: the costly embroidery and rich treasures which were bestowed on the large churches² witness to a large trade: it seems quite impossible that native mines could have yielded such quantities of the precious metals. The costly articles in the manufacture of which the English subsequently excelled must have been originally imported. The evidence of accumulating treasure³ during the ninth century has been already mentioned, and the documents

be driven and it flee to any 'frith-burh' and the men escape into the 'burh,' then let the men and what they bring with them have 'frith.' *Laws of Æthelred*, II. 2; Thorpe, *op. cit.* p. 285. See also, but probably for natives and foreigners, *Laws of Ine*, 25; p. 119.

¹ And if a merchant thrived, so that he fared thrice over the sea by his own means, then was he thenceforth of thaneright worthy. *Ranks*, 6. in Thorpe, *op. cit.* p. 193.

² Lappenberg, *England under Saxon Kings*, II. 365; also *Urkundliche Geschichte der deutschen Hanse*, p. 2.

³ For instance, at Ely, *Liber Eliensis*, pp. 108, 114, 160, 196, 220, 249, &c. Such treasures were a rich booty for Danish invaders.

⁴ Thorpe, *Diplomatarium Anglicum*, *passim*. See especially *Alfred's Will*, p. 489. See also above, p. 76.

- of that time give us positive proof of the existence of wealth which must have found its way from abroad.
- areas of trade.* The incidental allusions to commerce which occur in contemporary records give evidence of the very wide area over which communication was carried on; though the chief trade of London was with German, Flemish and Norman towns¹. We read of a slave trade to Ireland from Bristol: Englishmen had been carried to much greater distances, for everyone knows that English slaves were exposed in the Roman market in the last quarter of the sixth century; and though it is doubtful whether this iniquitous traffic with the cities of Italy continued in Christian times, there was much communication for the sake of pilgrimage². We need not therefore be surprised³ even if a ship sailed from Italy to English shores and served for the convoy of S. Benedict Biscop. The same abbot made one of his other journeys by the ordinary means of communication which was undoubtedly the overland route to Marseilles⁴. The foundation of an English college at Rome proves the existence of frequent communication, for purposes of study, in the ninth century: and there can be no doubt that merchants took advantage of the same facilities. Early in the eighth century an English merchant was sojourning at Marseilles⁵: and in the ninth others frequented the fairs at Rouen and S. Denys: protection was secured to the men of Mercia by a letter of Karl the
- A.D. 1000.
- Italy.*
- A.D. 750.
- A.D. 667.
- A.D. 671.
- France,*
- A.D. 796.

¹ *De institutis Lundoniae*, Thorpe, *Laws*, i. 300.

² Haddan and Stubbs, *Councils*, III. 381.

³ Lappenberg, *op. cit.* II. 365. Bede, *Hist. Abb. Wirem.* § 3.

⁴ The course of ordinary commerce followed this line from Roman times till the sixteenth century: see below, p. 122, note.

⁵ Lappenberg, *op. cit.* II. p. 364, and references there.

Great's to Offa¹: this was our first commercial treaty. Before the time of the Norman conquest there had grown up a considerable trade in furs to Chester and other ports: and an Icelandic law is quoted by Lappenberg² *Iceland.* to shew that English traders so frequently visited that island as to give occasion for a law dealing with the property of those who died there. But by far the greatest expedition of these centuries must have been that undertaken by Sigelm bishop of Sherborne who 'prosperously penetrated' to India with King Alfred's gifts to the shrine *India.* of S. Thomas, and brought back many brilliant gems on his return³; and also carried with him a portion of the true Cross from Rome.

These various incidental notices taken along with the *Nature of* indirect evidence seem to prove the existence of a very *industry* *and*

¹ De peregrinis vero, qui pro amore Dei, et salute animarum suarum beatorum limina Apostolorum adire desiderant, sicut olim perdonavimus, cum pace sine omni perturbatione vadant, suo itineri secum necessaria portantes. Sed probavimus quosdam fraudulenter negotiandi causa se intermiscere; lucra sectantes non religioni servientes. Si tales inter eos inveniantur locis opportunis statuta solvant telonea; caeteri absoluti vadant in pace. De negotiatoribus quoque scripsisti nobis, quos volumus ex mandato nostro ut protectionem et patrocinium habeant in regno nostro legitime, juxta antiquam consuetudinem negotiandi. Et si in aliquo loco injusta affligantur oppressione, reclament se ad nos, vel nostros judices, et plenam jubebimus justitiam fieri. Similiter et nostri, si aliquid sub vestra potestate injusti patiantur, reclament se ad vestrae aequitatis judicium, ne aliqua inter nostros alicubi oboriri possit perturbatio. Haddan and Stubbs, *Councils*, III. 496.

² *Op. cit.* II. 365.

³ William of Malmesbury, *Gesta Pontificum*, II. 80. Some doubt has been cast on the truth of this story by the fact that it is not mentioned in the life of Alfred by Asser, who does not speak of direct communication with any more distant potentate than the Patriarch of Jerusalem. See his *Annals* in *Church Historians of England*, II. p. 472.

- considerable and extended trade. On the other hand there is little or no evidence that much had been done in the introduction of manufactures, though Alfred had set himself to cultivate the useful arts¹. The mass of the people were engaged in agriculture; wool and other agricultural produce were the staple articles of produce; in the monasteries artistic production both in metal working and embroidery² was probably carried on with great success, and the coins of the early English kings are so well executed as to shew some proficiency in the art.
- A.D. 878.
- A.D. 1087. The list of craftsmen in Domesday shows that many simple arts were practised³; but we can gather the negative inference from the same record that no industry was conducted on any large scale. Even in the towns agriculture and trading were probably the chief avocations of the inhabitants. In particular, the mineral wealth of the country which had been the chief attraction to the Phœnicians, and a matter of much importance to the Romans, was almost entirely neglected.

*trade before
the con-
quest.*

If, however, we try to picture to ourselves the state of industry in our island at any time before the Norman conquest, we must think of it as carried on in a large number of different groups, each one of which was practically independent of the rest. Trade, both internal and foreign, was undoubtedly developing and bringing about a certain amount of specialisation, while breaking up the solidarity of each little group: still it was chiefly, at all events, a trade in the superfluities of each; for the main requisites of life and the ordinary useful arts, each little community could make provision by applying its own resources to satisfying its own wants.

¹ Pauli, *Life of Alfred*, p. 193.

² *Liber Eliensis*, p. 34.

³ Ellis, *Introduction to Domesday*, i. 92.

II.

THE MANORS AND THE TOWNS.

I.

FEUDALISM.

25. Commendation: character of contract. 26. Progress of feudalisation. 27. Domesday Survey. 28. The Exchequer. 29. Coinage. 30. The feudal tie in the Norman reign. 31. Moral Sentiments.

§ 25. In the preceding pages allusion has been made *Royal* to the growth of royal power, and the chief sources of *Power* royal revenue—folkland, jurisdiction and trade dues¹—*among*

¹ A good account of these tolls is found in the Dooms of London (*Laws of Æthelred*, iv. § 2). Tolls were demanded at inland towns as well as at seaports. 'Wainshilling' and 'load penny' at Worcester (899) are described as dues that always go to the king and cannot therefore be remitted or assigned by an alderman. (Thorpe, *Dip. Aug.* 138.) But these were sometimes granted by the king, as e.g. Edgar granted (978) the market dues at Taunton to the See of Winchester (Thorpe, *op. cit.* 235); or as Cnut did to Canterbury (1023): 'And I give to the same monastery for the subsistence of the same monks, the haven of Sandwich, and all the landings and dues of both sides of the stream, let own the land whoever owns it, from Peppeness to Marfleet; so that when it is full flood, and the ship is afloat, as far as a taper axe can be cast from the ship upon the land, let the ministers of Christchurch receive the dues....And theirs shall be the ship, and the ferry over the haven, and the toll of all ships...and all that which is found on this side of the middle sea,

have been mentioned¹; but in the centuries of settled life that elapsed between the occupation by the English, and the tenth century, their political institutions underwent a complete change. For our purpose it is sufficient to note the character of the change, rather than to try and trace the precise steps.

*a nomadic
and*

A nomadic or half-settled people are bound together by ties of common descent, and of personal loyalty to their kings and leaders: the tribe can move *en masse* and preserve all its customs and institutions. But when once they are thoroughly settled there is a new bond among them as inhabitants of the same land; and the new character which the tribe thus assumes gives a new position to each individual, and places him in new relations to his fellows. Had the country been occupied by colonists from a highly civilised land they would have been able to define the position of all the inhabitants and to establish the necessary tribunals on the model of those in their own country, as was done by the Romans: but the English had to adapt the institutions of half nomadic tribes, so as to suit the needs of an agricultural people.

*an occu-
pant
people.*

The king was no longer merely the leader in war and the embodiment of the tribal traditions; he was the representative of an occupant nation, and as such a supreme occupier. To say that he was the chief landlord is to introduce the ideas of later days; he was the chief officer of a nation occupying a portion of this island, and as such, supreme over all matters connected with the

and brought to Sandwich, be it a garment, be it a net, or a weapon, or iron, gold or silver, the half part shall be for the monks and the other part shall remain for him who finds it. (Thorpe, *op. cit.* 317.) On tolls at later periods, see pp. 105 and 154.

¹ See above, p. 46.

land which could not shew the reason for being exempted from his direct control. The persons of the freemen were still free; their jurisdiction in the *gau* remained; their land in the marks with all the markman's rights over the waste and the rivers were untouched. But over roads, over such markets as were really at boundary points, over the folkland which lay scattered everywhere, the king's jurisdiction was undisputed: as official trustee for the nation his influence made itself everywhere felt. With the formation of shires the judicial influence of the sheriff, a king's officer, became greater; and it must always be remembered that when crimes of almost all sorts were punished by fines, increased jurisdiction meant increased opportunities of securing revenue.

The necessity of witnesses and regulation for purposes of trading in chattels has been pointed out; but there was sometimes no little difficulty in proving the right to any piece of land, or justifying the terms on which it was claimed. The weak and the smaller proprietors had no means of resisting the encroachments of their unscrupulous neighbours, unless they could secure the countenance and protection of a powerful man. This was done by *commendation*: they made over their land to some powerful thegn, to receive it again from him as his tenant. The terms on each side were carefully defined; the lord could count on assistance of a certain kind, in money, in armed men, in supplies; while the tenant was sure of such protection from the injuries of others as the lord could afford: it was a *contract*.

Similarly the king would commit some public duty or high position to a man, who served him on definite terms, after paying a considerable sum, and in expectation of profiting by the transaction. Government was no longer a matter of loyal service to be freely rewarded,

*Commenda-
tion.*

*Offices and
fees.*

but it was carried on by officers who held their positions by a *contract*.

This polity was a natural outcome of the economic conditions that have been already described. With the development of trade the various villages were brought into connexion; if not so closely interdependent as to rely on each other for the means of subsistence, it was yet necessary that they should stand in definite relations to one another. And when property was recognised and exchange constantly going on, it was possible, as it would not otherwise have been, to represent all these social relations in the form of contracts. Till private property in land was recognised, commendation, as a permanent social condition, was impossible; till bargaining became an ordinary incident of daily life, and means were adopted for making bargains binding, there could be no willingness to enter into a life-long bargain. When once these conditions were present, feudalism supplied a simple form for defining the political relations of different individuals to one another. So far as each individual among the people had a definite status determined by his contract or contracts with other individuals, in so far did they compose, not a community, nor a tribe, still less a nation, but a feudal system in which each man took his place, not through ties of blood or loyalty, still less through citizenship, but in accordance with contracts.

*Defects of
a feudal
system.*

The mere attempt to pourtray the characteristics of a feudal system brings into light its grave defects—defects which soon called forth antagonistic influences. Indeed the reactions were at work from such an early time that it is probably more correct to say that there was an active feudalising tendency, of which the effects still survive, than to speak of feudalism as a system,—for the system was breaking up before it was completely formed. In

feudal times there was no sufficient public protection, men had to seek protection by private contract; there was no sufficient machinery for guarding the realm or administering justice, this too was done by private contract; for national enthusiasm or public spirit there was no place in a feudal system¹. Such a system was necessarily only a passing stage of social progress: had the national life been permanently confined by its narrow restrictions, no great material achievements could ever have been accomplished. For growth and development imply change; the feudal contracts would have so fettered individuals as to check all energy and enterprise². Except in so far as it gave greater security it is probably true to say that economic progress only occurs as feudalism passes away.

§ 26. The preceding section may have called attention to the inaccuracy of the popular notion that William of Normandy introduced the feudal system into England. A social system cannot be introduced like a new fashion from France, and it had been growing for generations in England before his time. Most important steps had been taken under Cnut. Till his reign we may trace the absorption of authority into the kingly office; from his time onward we may rather notice the leasing out of royal rights to particular individuals, and for particular districts: for one thing he reorganised the national system of defence on a basis of contract.

The very success of the Danish invasions had proved that some reorganisation was sorely needed. When the

¹ G. W. F. Hegel, *Philosophy of History*, 385.

² The deleterious effects of many traditional covenants in farm leases—as to the course to be adopted, &c.—are becoming generally recognised, and are an instance, on a small scale, of the evil noted in the text.

freemen were settled in scattered marks, it was no longer possible to gather the nation in arms as in the time of Caesar, while the distribution of the folkland as bocland prevented the maintenance of an effective force of thegns. All this has been noticed above and sufficiently explains the success of the Danish plunderers. Alfred appears to have fallen back on the local forces, and to have trusted to the self-defence of each shire, rather than to any national army. But when the Danes came in larger force, and settled themselves as a victorious army¹ in forts from which they could ravage the country around, there must have been great difficulty in coping with them. Eventually we see the resistance fail hopelessly under Æthelred, just because it was so purely local. Jealousy of the supremacy of Wessex prevented hearty co-operation on the part of the Mercians under Eadric; many noble struggles took place, but there was no united action, and no sufficient control on the part of the king.

¹ The Danish invasion has been contrasted with that of the English and Normans as less of an occupation, and more of a plundering incursion. The number of forts which are associated with them, in the midland counties, shews that their plan of operation was different, but the ultimate object appears to have been settlement. The comparative immunity of Edgar the Peaceful seems to have been due to his granting the Danes lands (see metrical panegyric in *English Chronicle*, A.D. 958). The plundering armies of the time of Alfred appear to have had their wives in England, and left them during a long time in East Anglia, while the army was in the West Midlands. (Henry of Huntingdon, v. § 12.) There was also at least a temporary settlement in Northumbria in the beginning of his reign (*Chron.* 875. Henry of Huntingdon, v. § 7), and a permanent one in East Anglia in 880. Altogether the parallel between the English and Danish invasions was probably pretty close, though the condition of the country invaded was certainly different.

For this, a remedy was sought in dividing the country into great military districts, and making the earl of each *Earldoms.* directly responsible to the king, while endowing him with the profits of his district. The levies were raised and commanded by these earls; and in addition, the royal revenues, increased by the dues from trade and widespread jurisdiction, afforded the maintenance of a body of *huscarles*. That this system of defence broke down in 1066 was partly due to the unwonted strain put upon it; the levies had fulfilled their service and went home; the double invasion caused a diversion of the forces when most needed; but the chief defect lay in the fact that the earldoms were so large that the earls were anxious to throw off the yoke of subjection altogether, and did not press on to Harold's aid. We have here great military fiefs.

Similarly the revenue and jurisdiction in each county *Administration.* was farmed out by the king to the different sheriffs, and the Danegeld was a money payment which was originally demanded occasionally, and as a consequence of the obligation to direct defensive service—one of the three dues which were never remitted, even to the most favoured tenants. The duties of *hospitium* and *avera*¹, were very heavy when the king visited a shire, and in many cases a payment was exacted in lieu of the entertainment if he did not travel that way in any year: they had probably sprung out of the acceptance of royal jurisdiction. For tolls the sheriffs had also to account. Favoured tenants were exempted from *hospitium*, and had rights of *toll* and *team*² as well as rights of *sac* and

¹ Entertainment and means of transport.

² The right of taking tolls, implying exemption from paying them, and of settling civil disputes among the villains.

*William
of Nor-
mandy.*

*soc*¹. These favours were sometimes granted as a reward for signal services rendered. All these dues, subject to recognised exemptions, as well as the returns of the royal land, were farmed by the sheriffs: and the adoption of this plan had a natural affinity to feudalism.

The changes introduced by William of Normandy were not forced upon the country generally, but were introduced whenever the death of the tenant or his participation in any of the rebellions, including resistance to the original invasion, gave occasion for the redistribution of the soil. Such lands were then granted on the condition of military service, while the Danegeld was exacted again, and more frequently than before: the military resources of the country were thus immensely increased; but it was rather true to say that a military direction was given to the existing feudalism than that the Normans introduced the feudal system. A glance at a page of Domesday Book will certainly shew that a very large number of landholders were dispossessed on one pretext or other; all, except ecclesiastical corporations, who continued to hold their lands, did so because they were reinstated in them by the king: but the terms on which land was held were never arbitrarily altered; we thus get important evidence to shew how far the process of feudalisation had gone before the death of the Confessor. By far the larger number of *sochemanni* in Cambridgeshire were bound to render *avera* and *inward*², or to pay a composition; and the relation of Earl Harold to Edward is very parallel to that of Earl Alan to William.

The tenants thus instated entered into a position *Flambard*. which was defined by the legal genius of Flambard as a

¹ *Sac* was jurisdiction in criminal suits, while *soc* was the right of inquisition. See *Laws of Edward the Confessor*, c. 22, p. 451.

² Attendance on the sheriff.

military tenure; it was not explicitly so in William's time, and he even modified the character of English feudalism¹ by taking steps to secure the effective control of the crown over the military resources of the land. He would have no great feudatories like the house of Godwin under Edward, or Edwin and Morcar under Harold; a strict limit was placed on the possessions assigned to the most trusted favourite, and a direct relationship established between each of the numerous smaller tenants and the king himself. The success of this policy can be best seen by comparing the histories of the kings of England and of Scotland or France. The Scottish crown never kept the great families in real subjection; but it was only by unusually persistent combinations, or at times of special weakness, that the barons were able to resist or control an English king.

*Character
of English
feudalism,*

That the feudal system was not imposed from above becomes more clear when we fix our eyes more closely on the evidence of the felt necessity for committing one's life and property to the protection of another; the rapid extension of the king's 'peace,' and of the jurisdiction of his officers, is one sign of this tendency, while in later days people were only too glad to buy a measure of exemption and to treat for the right to manage their own affairs. Not only was regal protection sought after: freemen commended themselves to a lord of the manor while preserving a measure of their freedom, or laymen made over their property to a monastery in order to have the advantage of the exemptions which Church lands enjoyed. This tendency was at work and gave occasion for special legislation in the reign of Edward I.

*as of slow
growth,*

¹ Compare Freeman, *Norman Conquest*, v. pp. 366 foll.

A system which was the natural outcome of such deeply rooted and widely operative tendencies was certainly no foreign importation.

*but organ-
ised under
the
Norman
Kings.*

There can be no doubt however that the social system which had been thus growing, was organised in its most definite form for political purposes under the Norman kings. In all cases of slow and constant changes it is difficult to fix a moment when growth ended and decay began; and if we take the last years of the reign of the first Norman king as specially typical of the feudal system, it is because this period is marked out for us by the taking of the great survey which is our chief source of information in regard to all the conditions of life in England during the eleventh century.

*Domesday
Book,
1087.*

§ 27. Domesday Book has been constantly studied for the sake of the legal evidence it affords, and as a source of evidence in regard to the precise character of the changes in the tenure of land which took place under the first Norman king¹. But the vast mine of information which it contains in regard to the economical condition of the country has been scarcely opened up at all. The state of the towns has indeed received some attention: Sir Henry Ellis devoted a section of his *Introduction*² to the cities and burghs, and their customs: it may suffice to say for the present that in many places the invader had left his mark by the building of fortresses:

¹ Mr Freeman's chapter and appendices in the fifth volume of the *Norman Conquest* are well worth perusal; for the study of the book itself, Sir H. Ellis, *Introduction to the study of Domesday*, and Mr Eyton's *Key to Domesday*, supply valuable help. A useful vocabulary is given by Kelham, *Domesday Book illustrated*. The photo-zincographic reproduction of the MS. is more interesting, and handier than the folio edition.

² *Op. cit.* pp. 190—210.

the inhabitants of towns were not in those days so severed from agricultural interests as now. Cambridge is a case which illustrates both points: the burgesses lent their ploughs to the sheriff, and twenty-seven houses, a large portion of one of the ten wards, were swept away for the building of the castle¹.

So far as rural economy goes, the difficulty is much greater, for the survey is not its own interpreter: it scarcely becomes intelligible till we read it in the light of manorial court rolls of subsequent centuries: but with these it has a very close connexion. This is indeed implied in the very name: the days on which the affairs of each manor were gone into, the accounts made up, the customs of the manor appealed to, and the dues exacted, were dome days. It is more than probable that domesday books existed on many estates, especially on Church lands, in the time of the Confessor²: the great survey of William is simply a summary of the contents of such domesday books where they existed, and of unwritten customs and dues, which were not yet committed to writing in all places, but none the less clearly defined and well understood and remembered on each spot.

The tendencies which brought about the formation of *The Manor as a Farm: its parts:* manors have been already noted³: the general features of this group may be now noted. The land was divided into three distinct parts; first, the lord's domain, second, the holdings of different classes of tenants, and third, the

¹ *Cambridgeshire Domesday*, p. 1.

² W. H. Hale (*Domesday of S. Paul's*, p. xxxii.), while rejecting Ingulf's story of a domesday of King Alfred's, refers to evidence of at least partial returns compiled under the Confessor. Compare the extracts from a MS. of 1300 in the *Gentleman's Magazine*, xxxvii. 370.

³ See above, p. 53.

waste which belonged to the lord, except in so far as many of the tenants had definite rights in regard to it, for he might not use it so as to prejudice these rights. The socmen of the village, who were associated with the lord of the manor in his jurisdiction, were in some cases quite independent, in others they had become attached to the soil and were thus assimilated to the position of the humbler tenants.

*the differ-
ent classes
of workers:*

1000.
1087.
1220.

The necessary work on the domain was done by the various tenants, without actual wages, but the lord of the manor provided their food while they worked for him: the workers may be classified in three divisions according to the amount of labour which they were bound to render. Those who were best off only worked at times of special pressure, e.g. a day or two in harvest, and gave assistance in conveyances. Such were the *geneat* of the *Rectitudines Singularum Personarum*¹ and the *villani* of Domesday book, who correspond to the *libere tenentes* of the court-rolls. Others were bound to work at these times of special stress and also one or two days a week all the year round: these are the *cotsella* and *gebur* of the *Rectitudines*, the *cotarii* and the *bordarii* of Domesday, and correspond to the *onerarii* of the court-rolls. The lowest class, whose service does not seem to have been so limited and whose holdings were mere gardens in all probability, are not specified as a class in the *Rectitudines*; but individuals like the bee-herd would constitute a group corresponding to the *servi* of Domesday and *nativi* of a later period: on this class the lord relied for the necessary industries such as spinning,

¹ This document, printed in Thorpe's *Ancient Laws and Institutions*, gives the fullest light on the constitution of a manor before commutation for services had commenced: the few payments are for taxation.

weaving, and for household duties¹. The villain would have his whole week to work on his own holding except at special times, the boor would have four days for himself, the serf might have little if any time he could call his own. But the holdings and the domain were cultivated together; the lord almost always supplied part, if not the whole, of the teams for ploughing: the seed was found by the labourers even for the domain lands. The *ballivus* ^{the superintendence,} was entrusted with the management of the estate and exaction of the services due from each labourer; the *praepositus*² was a sort of foreman, selected annually by the labourers, and freed for the time from service himself, who was the representative of the labourers' interests from day to day.

¹ As the arts—as distinguished from tillage—had no direct relation to the tenure of land, and none therefore to royal revenue or resources, they are scarcely alluded to in our records. There is more information as to the management of ateliers of the craftsmen and women servants on the manors in France. Compare Levasseur, *Histoire des Classes ouvrières*, I. 115. Among the very full instructions for the management of the royal manors in Karl the Great's capitulary *de Villis*, the following regulation occurs. "Ut unusquisque iudex in suo ministerio bonos habeat artifices, id est fabros, ferrarios, et aurifices vel argentarios, sutores, tornatores, carpentarios, scutarios, piscatores, ancipites, id est aucellatores, saponarios, siceratores, id est qui cervisam vel pomatium, sive piratium, vel aliud quodcumque liquamen ad bibendum aptum fuerit, facere sciant; pistores qui similam ad opus nostrum faciant; retiatores, qui retia facere bene sciant, tam ad venandum quam ad piscandum, sive ad aves capiendum, necnon et reliquos ministeriales, quos ad numerandum longum est." Pertz, *Monumenta Germaniae*, III. p. 184. The whole of the document is well worth perusal.

² The duties of these officers are described fully in *Fleta* II. c. 73, 74: see below, Appendix I. They are frequently mentioned in *Domesday*; the Seneschall of *Fleta* was a sort of secretary who represented the lord of the manor himself.

*and the
Stock.*

*New
holdings
and*

*composi-
tion for
labour by
annual
payments.*

The duty of the bailiff was more complicated: he had not only to superintend the labour, but to keep a reckoning of the stock, especially of the seed, and to see that the respective portions of the collective stock belonging to the lord and the labourers were not confused. Anything of the lord's that was used on the labourer's holding must be accounted for and if necessary replaced. Such was the general character of the system by which the agricultural produce was raised¹. But it was open to disadvantages: the forced labour was unwilling and inefficient; the seed supplied was not always of the best quality, and it was soon found to answer better if the services were compounded for. A portion of the lord's land was cut off and cultivated by the villain as an additional holding on his own account, while he paid dues for the labour of which the lord was thus deprived: the lord no longer received the produce, but he no longer provided the labourer's food²; he was glad to accept a composition which represented the difference between his outlay and the annual produce, and which freed him from the trouble of exacting so much service. If a villain succeeded in commuting all his services, both regular and occasional, for an annual payment, the bailiff would only have to keep an account of the amount of the lord's stock which was lent him, while the labourer became more entirely his own master, and was better able to enjoy

¹ A very similar system of bailiff farming is actually at work in Tuscany, and the 'fattori' there are popularly accused of abusing their position, though apparently as a class they are trustworthy. Compare S. Sonnino, *La Messeria in Toscana*, pp. 183—185. For its existence in Scotland see C. Innes, *Early Scotch History*, p. 190.

² Before the Conquest this came to two loaves a day for each serf, besides morning and noon meals. Kemble, *Saxons*, I. 214.

the fruits of his own labour. The benefit was a double one, and as a consequence the system was generally introduced before the time of our earliest records. The land thus assigned might either be cut out of the waste, so long as no prejudice was done to common rights (*terra essarta*), or cut out of the domain, when it was called *terra assisa*: in any case it was the sign of a well-managed estate to have large portions thus assigned, and yielding an annual value instead of tardy services and varying crops. But this return too was liable to fluctuations: if a villain died without heirs his holding would escheat to the lord: it might not be possible to find a successor who had time and stock enough to work an additional holding: the lord would then be forced to rely on the services for which no composition was made: his annual dues would be less, but he would have a larger produce for the time from the unassigned domain. The annual returns, as estimated in money, of each estate varied according as more or less of the estate was assigned to labourers who had compounded for their services, and variations have no relation either to the gross produce¹ or market price of the estate. These labour dues are spoken of as rents, but they were quite different in character from *rents*, as understood in England in the present day. They were payments made in lieu of work, and they may be described as analogous to *profit*, which economists tell us is the difference between the whole outlay and the produce; but the analogy is not very close, as (1) the lord had not supplied the labourer's entire requirements as wages do, (2) the labourer provided part of the capital, (3) the payments included a share of the taxes due from the land which the labourer

*Variations
in the
annual
return,*

*which were
not rents
in the
modern
sense,*

¹ If we neglect the increased diligence which may have been shown by labourers working on their own account, or may not.

*but quit
rents.*

held. Indirectly however the labour dues probably came to have some relation to definite quantities of land, as modern rents have. If a labourer paid fourpence to be quit of the obligation to serve two days a week, he could not however afford to be idle, and would wish for as much land as he could cultivate in these two days a week: while the landlord would not assign a portion which yielded a greater profit than fourpence. One might describe such a tenant as living at a *fixed rent*, but the rent was not fixed by a direct reference to the quantity of land held, still less to its productiveness: the labourer paid for freedom to work on his own account, and he had assigned to him such a portion of land as could be worked in the time thus set free: his rent is called a *quit rent* because he is quit of service (*quietus est*).

*Domesday
Survey,*

*how ob-
tained.*

But enough has been said of the general character of a manor and of the nature of the annual payments to prepare us for the consideration of the details furnished in the Domesday Book. For the accuracy of these details the method in which they were procured is a sufficient guarantee¹. In each hundred, witnesses were called who gave evidence on oath in regard to all particulars with regard to the land, before justices deputed for the purpose: the statements thus obtained were forwarded to London where they were rearranged and combined into one large report. The statements taken in the various counties differ in the completeness of their reports: for Cambridgeshire we have double returns, the fuller statement including the names of the witnesses in each hundred has survived,—though not entire²—as well as

¹ See first leaf of the *Inquisitio Cantabrigiensis*, for full details as to the enquiry in that shire, or *Domesday*, IV. p. 497.

² *Inquisitio Cantabrigiensis*, edited by N. E. S. A. Hamilton.

the abstract from which many particulars are omitted, and which is arranged according to proprietors, not according to situation.

The village of Milton in Cambridgeshire may be *Milton*. taken as a typical case. Domesday¹ reports, "In Middle-

Some of the lost returns can be supplied from the *Inquisitio Eliensis*, which gives the detailed report of the lands as restored after the survey to the Abbey at Ely. This has also been printed in the *folio Domesday*, Vol. IV.

¹ In Middeltone ten⁴ Radulf⁹ de Picot . XII . hid .
Tra . ē VII . car⁴ . In dñio sunt . II . 7 alia^ē . II . pos^ē .
ee . Ibi X . uill⁴i cū XII . bord⁴ 7 IX . cot⁴ hñt . III . car⁴ .
Ibi . V . serui . p⁴tū IIII . car . Pasta ad pecun⁴ . De
maresc⁴ . sexcent 7 L . anguill⁴ . 7 XII . den . In totis
ualent⁴ ua⁴l . VII . lib . Q⁴do rece⁴p ē VIII . lib . T.R.E⁴
XII . lib . *Domesday*, I. 202, 3.

In Middeltone tenet Radulfus de Picoto XII hidas. Terra est VII carucis. In dominio sunt duae et aliae duae possunt esse. Ibi X villani cum XII bordariis et IX cotariis habent III carucas. Ibi V servi. Pratum IIII carucis. Pastura ad pecuniam. De marisca DCL anguillae et XII denarii. In totis valentiis valet VII lib. Quando recepit VIII lib. Tempore Regis Edwardi XII lib.

Middeltona q^am tenuit picot⁹ uicecomes ē se
defend . t . r . e . p . XII . h . 7 m^o pro . VI . h . VII . ē .
ibi ē Tra . II^o . ē . in dominio . 7 . II . ē . pos^s . fi . 7
IIII . ē . ho^m . X . uillani . 7 . XII . 7 . IX . V . pra . ad .
IIII . ē . pastura ad pecora uille . De marisca . d . c .
L . anguill⁴ . 7 XII . d . IIII^o . animalia . oē . oues . CC .
7 uiginti . IIII^o . 7 . XX . p . VI . runč . In^o totum

ton Radolf holds twelve hides of Picot; there is land for seven teams. On the domain there are two teams, and there could be two more¹. Ten villains with twelve boors and nine cotters have three teams there. Five serfs are there. There is meadow for four teams and pasture for the cattle. From the marsh 650 eels and twelve pence. The whole is worth seven pounds: when he received it eight pounds; in the time of King Edward twelve pounds." The entry closes with an account of the previous tenants.

Taxation. First of all we have the area: this gives the basis on which the land was rated for (*se defendit per*) the Danegeld. This was twelve hides. In the case of Milton the hide was 120 acres², so that the area was estimated as about 1440 acres³. The enumeration of the stock available on the estate gives a rough estimate of the extent of arable land, and probably no more accurate estimate could be given without a regular trigonometrical survey, nor would that have given such a fair return if tillage was still partly extensive. There is a statement as to the labour available, and the relative shares of lord and labourers in the

ualet . VII. liḅ . 7 ḡn reč f VIII. t. r. e. XII. liḅ,
Inquisitio Eliensis, p. 114.

¹ *Possunt esse* or *feri* obviously implies that the land was understocked, but its precise signification is a matter of much difficulty. *Restaurari* is sometimes substituted for the Domesday *feri* in the *Inquis. Eliensis*, e.g. in Sneillevelle, p. 101. In this as in other cases there would apparently have been difficulty in feeding the teams if they were on the land. A further difficulty arises from the difference in the size of teams. The usual number was eight oxen, in one case four were used as a team (*Inquis. Cantab.* p. 14); but in one of the Manors of S. Paul's there were twenty in each team. Hale, *op. cit.* p. 75.

² *Liber Eliensis*, p. 145.

³ The present parish contains 1378 acres.

stock are noted: of all the labourers the serfs alone have no share in the stock. The fisheries were let for an annual due of twelpence and 650 eels; and the whole of the annual dues came to seven pounds. Some of the holdings had escheated to the lord of the manor during the last few years, as the dues had declined from £8 to £7; but a great many had fallen in at the time of the Conquest, as the value had declined from £12 to £8¹. The great survey besides being an inquisition as to the title by which the lands were held, supplies a double basis for rating,—by the area at which the land was reckoned for fiscal purposes in the time of Edward and also at the date of the survey (*hidage*), as well as by the *Hidage*. arable capabilities which could be reckoned from the number of teams² and the labour at the disposal of the lord (*caruage*).

Caruage.

¹ There have been various other interpretations of these values, but all are open to some grave objection. The figures given cannot be the market *price* of the land, as they are far too low: the price of land in the 10th century was about £5 a hide, as the prices quoted in the *Liber Eliensis* shew us, so that this estate would have cost about £60. Nor can they be *rent* calculated from the worth of the land, as the value of land in the same place varied so much; one holding in Histon fell from 80s. to 40s., while a smaller one adjoining rose from 10s. to 20s., in the same twenty years (*Inquisitio Cantab.* p. 40). It is tempting to regard the values as those of the *stock*, but there are cases which shew the value can neither be that of the teams for tillage, nor that of the stock grazing, even if the values were not too low for this last explanation to hold good. That an annual return is meant is also shewn by the use of *reddit* on royal and some other lands instead of *vale*. The force of the two words seems to be that *vale* gives value, in money of account, but the debt may have been discharged in kind, while *reddit* seems to imply the use of coinage, and indeed the form of payment is sometimes specified.

² The *Inquisitio Cantabrigiensis* is decisive in favour of this interpretation rather than *plough lands*. See under, Svafam and Choie, pp. 13—15.

*Further
details.*

We may now take into account the additional details which are preserved in the *Inquisitio Eliensis*, though they had been omitted in the royal abstract as having no bearing on the immediate purpose of the enquiry. It is mentioned that the land which had been rated in Edward's time at twelve hides was now reckoned for fiscal purposes as six¹. Then follow the same details of teams and labour and pasture and marsh, with this addition: "four *animalia otiosa*, two hundred and twenty sheep, twenty-four pigs and six horses." This was most probably the live stock² which the lord had on the waste and in the

¹ Here and in various other entries (Melrede, Wiuelingham, &c.) the rating appears to have been reduced on account of the understocking or reduced income from the manors. That the smaller number of hides does not imply a reduction of actual area may be seen from the case of Empintona (p. 113) which was reckoned as ten hides, t. r. e. and rated as only five, *modo*: but of these hides the Abbot held six and a half and Picot three and a half: the *Liber Eliensis* shews that in Cambridgeshire the hide was by this time an understood measure of area, and obviously the earlier reckoning gives us the area of the manor more accurately than the other.

² That we have information as to the prices of different animals at an earlier time has been mentioned above: the prices about the time of Henry I. and a century later are also known (Thorpe, *Ancient Laws*, i. pp. 139, 235, 357, 582; Hale, p. xliii), and as there is little fluctuation in this long period of time we may take any of them as fairly representing the state of the markets in the first Norman reign. We should then get the value of the stock as follows, leaving out of account the working power of two teams of (eight) oxen which at 30*d.* per ox would come to £2.

| | | |
|----------------------------------|-------|------|
| 1 oxen unemployed | 5 | 0 |
| 220 sheep at 5 <i>d.</i> | 4 | 11 8 |
| 24 pigs at 8 <i>d.</i> | 16 | 0 |
| 6 horses at 10 <i>s.</i> | 3 | 0 0 |
| | <hr/> | |
| | £8 | 12 8 |

The profit on the flock and the swine might perhaps be set down as fifty per cent. of their value.

woods, but it is only from a few counties that we have information on this point at all, though there are frequently rough calculations as to the amount of stock for which there was meadow or pannage.

One thing is certainly striking as a contrast with modern conditions, and that is the very high income obtained, compared with the small sum paid for the purchase of land. Taking the figures in Edward's time, an estate worth £60 produced £12 in yearly dues, besides the profits of the flock, and the annual return must have sometimes been equal to about half the price of the land; but the mystery disappears when we come to consider the burdens borne by the land, even before the Norman intrusion, and these burdens did not diminish under the régime of the Norman kings.

Price and annual return of land,

which was heavily burdened.

§ 28. We can best observe the changes in the royal revenue introduced in Norman times, if we classify the sources from which it was derived.

1. Royal possessions. The royal domains continued to yield annual supplies as before. Mr Pearson has calculated that the sum which reached the royal coffers from this source was £20,000 yearly¹. The dues from trade² were gathered as before; but a source of income that seems to have been new, was found in the Jews, who lived as the king's chattels enjoying his protection, but subject to constant exactions from him. There is no evidence of their sojourn in England before the eleventh

Domains.

¹ *History of England*, Vol. 1. p. 385. A difference from Mr Pearson's interpretation of the value is no reason for discarding his results as to the amount paid on the royal estates. This was the original meaning of the 'ferm of the shire,' not that the revenue was farmed out to the sheriff, but that he accounted for the produce of the royal estates. Hale, *op. cit.* p. xxxviii.

² Madox, *Exchequer*, p. 525. See above, p. 85, below, p. 154.

century¹: and during the early Plantagenet reigns they supplied an important source of revenue.

*Juris-
diction.*

2. Nor was any new principle introduced in regard to the fines and other profits of jurisdiction; though the practice of treating a high judicial office as a post for which a relief was paid, which practically amounted to purchasing the place, was an abuse that reached its greatest development under Rufus².

Danegeld.

3. But in the levying of the Danegeld a considerable alteration was made. First imposed in Æthelred's time, Edward had suffered it to drop. William exacted a treble rate in 1084 (6s. instead of 2s. per hide³); and though in the time of the first Norman king these were occasional not annual payments⁴, they were regularly exacted in the time of Stephen⁵; subsequently, under new methods of rating, the name fell into disuse⁶, but the crown continued to receive annual payments as *carucage* and *burgage*.

*Feudal
exactions.*

4. The real alteration was not so much in the nature as in the amount of the exactions. The feudal relation was not perhaps more real, but it certainly was more explicit, and could therefore be taken advantage of for purposes of taxation with greater ease. For each five hides of the large quantity of land held by what had come to be military tenure, the demand might be made of a knight's service for forty days in the year: and this was required not only for defensive purposes, but

¹ Laws of Edward, c. 25 (*Ancient Laws and Institutions*, 1. p. 453); cf. also Freeman, *Norman Conquest*, v.

² Madox, *op. cit.* 272—395.

³ Hoveden, 1. p. 139.

⁴ *Dialogus*, 1. xi.

⁵ Madox, *op. cit.* p. 475.

⁶ Stubbs, *Constitutional History*, 1. 582.

for foreign wars as well. Occasional *aids* were also asked for the knighting of a prince, or the marriage of a princess. The heavy burdens of *hospitium*¹ and *averia* fell on all land not specially exempted. In addition to the labour dues and other profits from royal manors and towns on royal demesne, *tallages* were exacted as occasion served, while *carucage* was taken from other lands. By these various exactions, along with *burgage* from the towns, all classes of proprietors came under contribution; though perhaps the royal tenants were best off on the whole, as there was a frequent desire to prove that one's holding was of ancient domain and therefore free from *carucage*, though subject to other dues.

The machinery for collecting the revenue was a department of the king's court: it was carefully organised with an elaborate staff of officers. Easter and Michaelmas were the two terms at which the payments were made and the annual accounts balanced; the *tallies*—an absolutely perfect receipt consisting of a notched stick, of which half was kept by the sheriff and half by the officers of the court—gave evidence as to the amount of the *ferm* of the shire which had been paid in, and therefore shewed how much was owing. Owing to the confusion as to coinage, it was necessary either to test the coins (*per combustionem*,) that were paid by tale, or to exact an additional sum of one-twentieth—as de-albating or blanching money—to cover all risks from this source (*blank*)²; and there were also two different systems of

Method of collection.

¹ The precise meaning of *firma unius noctis*, which is constantly mentioned as the amount due for *hospitium*, is not clear. Archdeacon Hale calculates that as a matter of fact the court consumed £150 in Oxfordshire in three nights. *Domesday of S. Paul*, p. 21.

² Madox's *History of the Exchequer*, p. 187. This work contains an extraordinary mass of information on the whole subject with

reckoning the weight, according as *6d.* per pound was accepted to turn the scale (*ad scalam*), or according as the coins were actually weighed (*ad pensum*)¹.

Coinage.

§ 29. The coming of the Norman kings is not marked by any radical change in the coinage of the country², except perhaps the general introduction³ of a shilling worth twelve pence. The weight of the penny was still thirty-two good wheat grains, and the standard of fineness was kept up for centuries⁴, viz. eleven ounces two pennyweight of silver fine, and eighteen pennyweight of alloy⁵. The means of coining were very rude, and there is consequently considerable variation in the size and weight of coins as they are now found, even in the best preservation: one die was wedged into a wooden block, the other held in the hand as a puncheon, and the metal stamped by repeated hammering⁶.

The elaborate constitution of the mint was not introduced until the practice of coining was confined to

copious illustrations from original authorities. Of these the most lengthy is the *Dialogus de Scaccario*, written by Richard, Bishop of London, in the time of Henry II. It has also been reprinted by Stubbs, *Select Charters*. Madox pays special attention to the analogies between the administration of the finances in England and Normandy.

¹ The accounts known as the Great Roll of the Pipe exist for the year 31 Henry I. and from 2 Henry II. onwards; for a specimen see Appendix III.

² Charter of Henry I. c. 5. See Stubbs, *Sel. Ch.* p. 100.

³ It is probable that the shilling of twelve pence was not in use in any part of England before the Conquest: if this is so, the purchases made before that time, and recorded in the *Liber Eliensis*, were described by the writer in terms of the coinage which was current at the time he wrote.

⁴ See Diagram in Appendix IV.

⁵ R. Ruding, *Annals of the Coinage*, i. 12.

⁶ Ruding, *op. cit.* i. 67.

London, or almost entirely so. In pre-Norman and Roman times coining was at least occasionally conducted *Moneyers.* at a very large number of towns, some of them places which have never been of marked importance'. The business was carried on by moneyers whose names generally appear on each coin along with the name of the place where it was minted; but this was by no means a sufficient protection against fraud, as the frequent laws on the subject¹ and the vigorous measures of Henry I.² A.D. 1112,³ sufficiently shew. It was insisted that the coining should take place in frequented places⁴—a precaution which perhaps survived in the public trial of the pyx. The fact seems to be that while there was so little inter-communication between different parts of the country, there was no facility for the general introduction of coinage unless it was minted in all sorts of places. When the court travelled through the land, and the king hoped to receive fines, or the ferm of different shires, great difficulty must have been felt if there was no coin to pay with: it was therefore necessary for the kings to have moneyers in these localities. Others too tried to claim a similar privilege: in the case of the Archbishop of Canterbury⁵ it appears to have been admitted; but it was one of the royal prerogatives which the barons had grasped in Stephen's time, and which were wrested from them by Henry II.⁶

¹ Ruding. *op. cit.* I. 142, 154. Compare a grant to the Abbot of Bury by the Confessor. Thorpe, *Dip. Ang.* p. 415.

² See *Laws of Æthelstan, Edgar, Æthelred, Cnut, &c.*

³ *Chronicle*, 1125.

⁴ *Laws of Æthelstan*, II. 14, of *Æthelred*, III. 16.

⁵ Perhaps this may account for the part taken by Anselm along with the king in punishing the dishonest moneyers. Freeman, *Norman Conquest*, v. 160 refs.

⁶ *Dialogus*, I. c. vii.

*Payment
in kind.*

During the early Norman reigns payment in kind was still kept up at the Exchequer, but during the reign of Henry I. coinage became sufficiently diffused

The Mint.

to allow of regular payments in money¹. From this time too the need for minting coins in distant places was no longer felt, the privilege of regulating the coinage was more strictly maintained as one of the prerogatives of the crown, and the central mint was organised with great completeness.

A.D. 1017.

§ 30. Up till the time of Cnut there was a gradual extension of the royal power: in the Norman

A.D. 1081.

reigns we see it reaching its greatest vigour: the first William checked the tendency for the great feudatories

*Norman
Kingship.*

to become independent of the crown, and made the relationship of each subject to the crown to be clearly felt: the great survey with its constantly repeated *quando receptit* marks the beginning of this definite assertion of royal authority over all conditions of men in the land, and of royal interest in the details of their circumstances. The king is the centre of the whole, and it is by their relationship to him, that the various tenants in chief are connected together: with each, the king has a definite compact—such possessions held in return for such services. Looking back on this feudal system too, it seems impossible to appraise it as good or as bad: when we see what society became at the times,

A.D. 1137.

such as Stephen's reign, when the authority of the king was set at nought, and the whole fabric fell to pieces in consequence, we are inclined to pass a judgment² on the tyranny of William different from that which we

¹ The author of the *Dialogus de Scaccario* recollected the produce of the royal estates being paid in corn, beef, mutton and fodder, and the rates at which they were valued. C. vii.

² Like that of the English Chronicler, see 1087, 1135, 1137.

should pronounce if we contrasted his rule with a constitutional monarch's.

We may fully recognise that feudalism was the best social system possible in England in the eleventh century, but the very fact that it was so, marks the extraordinary difference between that age and this. Nowadays the free play of individual self-interest is assumed in commercial arrangements, and this force has given the greatest possible incentive to the development of industry by inventions, and of commerce by enterprise: the main principle of much commercial legislation in this country has been that of giving free scope to this individual, self-interested activity. But for this, the social system, during the Norman reigns, gave no scope whatever: there could be but little desire of accumulation when the ever recurring tallages, aids and fines, were so sure to empty the hoards that had been filled during several preceding years. There could be no enterprise in seeking out a new line of life, for each villain was bound to the land, and no lord would willingly part with his services: there could be no high farming while the custom of the manor and the collective ownership of the teams forced all to adopt the same system¹. Even in trades there was no opportunity of raising oneself; for the prices, of the only articles in the production of which there would be much competition, were settled by authority²; and merchants too were subject to special risks, or to special fines for protection, as well as to heavy trading dues. If the royal authority was a key-stone for the whole social fabric, it is not less true that the condition of industry and commerce was directly affected by the royal decisions: the initiative

Feudal society gave no scope

for individual enterprise

¹ On the break-up of this system, see below, p. 253.

² At least in accordance with legal regulations, see below, p. 172.

and progress was initiated by the Kings.

in progress, where progress was made, lay far less with individual traders than with the king himself.

Flambard.

The story of the reigns of William's two sons brings into clear light the extraordinary influence which the personal character of the king exercised in the whole condition of society and in every relation of life. The Red King, with some chivalrous benevolence, yet fearing neither God nor man, made the most of every occasion for extortion, which the ingenuity of Ranulf Flambard was able to devise, so as to support a body of mercenaries, and to defray the cost of building great castles and defences in London, Carlisle, and elsewhere. It was in his time that the military obligations to which the tenants were liable were first explicitly demanded: what was implied in the whole Domesday survey, but never stated there, was now logically expanded and ruthlessly enforced. The feudal system of taxation was that of giving aid as occasion demanded, and the art of the crown advisers consisted in making occasions. So too each great office, supported as it was by revenues of some kind or another, was looked upon as a possession granted by the king, and for the bestowal of which he might fairly demand a relief: the public responsibilities of officers of state were unthought of, and the sacred calling of priests and bishops was ignored¹. The worst abuses of the reign of the Red King are recorded in the charter²,

A.D. 1100.

¹ On the death of a bishop the revenues were treated as escheating to the king, of whom he held his office.

² 1. Sciatis me Dei misericordia et communi consilio baronum totius regni Angliae ejusdem regni regem coronatum esse; et quia regnum oppressum erat injustis exactionibus, ego, Dei respectu et amore quem erga vos habeo, sanctam Dei ecclesiam imprimis liberam facio, ita quod nec vendam, nec ad firmam ponam, nec mortuo archiepiscopo sive episcopo sive abbate aliquid accipiam

in which Henry of Winchester specifies the evils he will seek to remedy.

In the reign of a wise administrator like Henry of Winchester, we find all this changed: it was in him to develop a well organised and firm government, so that the people might be at peace while the king profited by their immunity from violence. The exactions of Henry were perhaps more oppressive, in a sense, than even those of Rufus, since they were more frequent; for the large occasional aids of these times were not supposed to fall upon income, but to be drawn from the accumulated hoards of several seasons. Yet even in spite of all this, the Lion of Justice did so far maintain security for life and property as to give more favourable conditions for industry¹ than had been known for many preceding years. It was thus that the needed initiative was taken by the king, and that trade began to thrive. If the king profited, it was because of the comparative prosperity of the people under his rule; and when the terrible anarchy of the so-called reign of Stephen was over, the same A.D. 1154. course was pursued by Henry of Anjou.

It is in the reigns of the second Henry and his sons that we see the crown attaining to its highest pitch of irresponsible power. Irresponsible power. his governing is no longer the reckless self-assertion of a tyrant like Rufus, but an unfettered sway by the head of a great social system, of which all the parts were completely subordinated to himself. This result was partly attained by the commutation of the personal knightly service, which had been Military resources.

de dominico ecclesiae vel de hominibus ejus donec successor in eam ingreditur. Et omnes malas consuetudines quibus regnum Angliae injuste opprimebatur inde aufero; quas malas consuetudines ex parte hic pono: &c. Stubbs, *Select Charters*, p. 100.

¹ See below, § 34.

expected in the preceding reigns from those who held land by military tenure, for the payment of *scutage*, with which the king could maintain a more regular army. A somewhat similar change had taken place with regard to other contributions for military purposes; it had begun when Æthelred levied Danegeld instead of calling out the national host¹. The obligation to assist in the defence of the nation was one from which only the few socagers and tenants on royal domain were free; but it was one which was only supposed to be of occasional occurrence, and which different communities were expected to meet in different ways. Each demand for Danegeld was practically based on the duty of assisting to repel an invader; and though the levy of Danegeld practically ceased under the Confessor, the people were still liable to the old obligation of assisting to defend the realm. In the first Norman reign it was occasionally, as in 1084, discharged in the form of money payment², but the successors of Rufus were able to extort this annually. When Henry II. obtained money in lieu of knightly service he took a farther step to render the crown free from the recurrence of such embarrassments as those which had prevented Harold from keeping his levies together on the south coast, and which had stood

¹ Freeman, *Norman Conquest*, I. p. 299. The assessment of the shires for ships in 1008 was another form of the same demand, and is interesting as giving the excuse for the ship money of Charles I. Freeman, *Ibid.* p. 336.

² *Dialogus*, I. ix. The annual levying of the Danegeld was thus a novel oppression; it was also an oppressive tax because farmed by sheriffs who made what profit they could out of it. The changes in the mode of rating introduced by Henry II. appear to have coincided with severe measures against the sheriffs and a greater centralisation of authority. It would be interesting if we could feel sure which part of this change it was that roused the indignation of Becket.

in William's way when he called his barons to aid him in his crusade for a kingdom.

The feudal system in England was throughout one of *Inherent defects of a system* contracts between the king as centre of the whole, and each of his tenants: but there was no public opinion to determine the contracts, and no public authority to see that they were truly carried out on both sides: nor did any of his successors shew the same conscientiousness in trying to be fair, as is evidenced for us in the pages of William's great survey. When the tenants were able to *of social contracts.* elude the performance of their obligations, society fell into a state of anarchy; when the king was strong enough to hold his own, he was strong enough to defy resistance and to strain the obligations of the barons in his own favour—he was practically irresponsible. Thus the period of feudalism was not so stagnant as the nature of the system might have led us to expect: there was a constant change from anarchy to irresponsible monarchy, and from irresponsible monarchy to anarchy. Through the whole of this political ferment new ideas began to spread, till new social forces made themselves felt, and new institutions arose.

§ 31. It would be impossible to understand the origin and growth of the industrial institutions of the feudal period without some brief reference to these newly arising moral sentiments. Human nature could not be strictly tied down within the limits prescribed by the feudal contract; and when the terms of that contract were wrongfully strained by Rufus or later kings who *Moral sentiments:* took full advantage of their irresponsibility, all that was best in human nature was set in antagonism to the social system. The force of reaction called forth the religious and the adventurous spirits of the time.

To both these factors far more importance would have

to be ascribed if we were tracing the history of France.
in France. In that land the royal power had not hitherto made itself effectively felt; anarchy like that of Stephen's reign was the normal condition of affairs, since private war between the barons never ceased. The king's peace was not respected, and there were no royal tribunals to punish breaches of it; whatever security was gained for the husbandman and the plough, for the weak and unprotected, was gained by the struggle of the Church to maintain the peace of God¹. In so far as the warfare of the barons was kept within limits, it was through the establishment of the truce of God on several days in each week, and many weeks in each year. In France these ecclesiastical customs declined, when, with the growth of the regal power, and other means for attaining the same ends, the need of them was no longer felt: for precisely similar reasons there never had been need of them in England.
Religious spirit. The religious spirit was not called on to create means for controlling the barons in our land; it was called on however to protest against the conduct of the kings.
S. Anselm. This gives an abiding interest to the career of S. Anselm: he made a protest against the practice of treating all offices as possessions, held of the king on the king's terms: he felt that he had a greater responsibility than that of satisfying the king; and his struggle about the symbol of investiture was a declaration that such duties as his must be discharged with reference to right, not in mere accordance with his contract with a king.

Yet after all, this earnest feeling had not sufficient force to bring about any marked step in religious or social advance: it was a mere sentiment which scarcely led to any positive result, unless when, combined with

¹ E. Semichon, *La paix et la trêve de Dieu*, 1. p. 36.

other factors, it served as an additional incentive¹. It was one thing to feel what was wrong, and another to create a remedy; and besides, there was no positive expression of right to which appeal could be made: those who hoped to find one in the decisions of the court of Rome were doomed to bitter disappointment; nor could any help be obtained from the force of a sound public opinion. Men who sought to live good lives were thrown back on some capriciously formed ideal of what was right, which was in time too often degraded by the rude conditions of actual society².

If the religious spirit was roused into antagonism to *Adventure*. the abuses of feudalism, opposition to the restrictions which the system involved was shewn in a spirit of adventure, which sometimes appeared in a religious guise. Allusion has been made above to the repression of individuality during feudal times: there was no room for it to shew itself in the ordinary affairs of life, and thus a ready welcome was given to projects which offered it an outlet. The whole movement of the Crusades, affecting as it did all classes of society, was the most striking proof of its force: but religious pilgrimages and the chivalrous undertakings of the knights were largely due to it. Yet this too, was but a barren sentiment, since it failed in attaining its direct objects, and did not create permanent institutions; though these fruitless adventures had an unlooked for effect in preparing new channels for commerce.

¹ We may see it at work when we consider the part taken by the clergy in obtaining the Great Charter, or the religious side of the formation of gilds, see below, p. 204.

² The complaints of the Cistercians, and later of the Friars, shew that the Benedictines had fallen away from their high aims; nothing can be more sad than the contrast between the ideal of the Templars and the actual life in the order.

II.

ROYAL POWER AND SOCIAL CHANGES.

32. Relations with the Continent. 33. The Crusades and European Trade. 34. Internal trade, towns and guilds. 35. Actual communication and articles of trade.

*Relations
with the
Continent*

§ 32. The Norman conquest had direct and important effects in stimulating English trade: a close connexion was established between our country and the great northern duchy of France: in the early Plantagenet reigns by far the larger portion of the territories of the King of England were on the continent. The constant intercommunication, which these close relations rendered necessary, must have given much more frequent opportunities for trade; while the fact, that the lands on each side of the Channel belonged to the same ruler, must have made trading very much more secure, and therefore more profitable. Even then, while industry was depressed by a feudal system, foreign trade was receiving a certain stimulus from the new political relations of the country; and the vigorous administration of the first and second Henrys was decidedly favourable to the development of internal trade¹.

*and commercial
activity
there,*

The effects of the close connexion of England with the continent would be more marked at this than they could have been at any previous era; for the twelfth

¹ The taxation of moveables, especially the Saladin Tithe, as well as of land, is another evidence of progress of this kind.

century was one of extraordinary commercial activity, all over Europe¹: the merchant cities of Italy were attaining to power; those of Spain were forming a barrier against the Moslem; the communes of France were beginning to free themselves from the extortions of turbulent barons; the burghs of Scotland were attaining their highest prosperity; and there are traces of the associations which in time developed into the Hanseatic league, and formed a great network of commercial stations all over Europe.

The growth of these towns may be regarded as a sign, rather than a cause, of this great commercial movement. Apart from the greater security, which had been attained through the peace of God, or the king's peace, or by mere *caused by* association, there was only one great factor to which we can point as having indirectly given a general stimulus to commerce all over Europe: but the Crusades undoubtedly had this result.

§ 33. Though it is our business to notice the effects *the* rather than the causes of the Crusades, a very few words *Crusades.* may be said about the origin and meaning of this extraordinary movement. It was chiefly a religious move- *Their re-* ment, preached by pious men like S. Bernard², and *ligious side,* undertaken in a true spirit of religious enthusiasm: we may recognise this most fully, while we yet call attention to the economical and social conditions which favoured the spread of a religious enthusiasm of this peculiar type³.

Within Europe itself, and especially in those countries where a feudal system was most fully developed, an eager *and social*

¹ C. Innes, *Burgh Laws*, preface, p. xxi.

² On his influence in regard to the second Crusade, J. C. Morison, *Life of S. Bernard*, p. 416.

³ Compare Palgrave, *England and Normandy*, IV. pp. 514—540.

*conditions
which
favoured
them.*

longing for some sphere for independent action was keenly felt by many of the barons and knights. Whatever the horrors and the follies of the Crusades may have been, they afforded a nobler outlet for human energy than had been found in the constant private warfare which was being slowly extinguished, by the Church through the truce of God, and with the growth of royal power. The spirit of adventure and daring found a new outlet; and terrible as were the cruelties perpetrated in the name of Christianity, the spirit of adventure was consecrated by being devoted to a less selfish end. This was obviously the case even in Europe itself: the sense of the devotion of bodily powers to a holy purpose raised the whole tone of military life, and took a place in society in the chivalrous orders.

Chivalry.

*The
peasantry.*

The same spirit of adventure which moved the nobles shewed itself as strongly in the sadder story of the multitudes of peasants¹ who set forth on a pilgrimage to the Holy Land. With no conception of the length or difficulties of the journey, with vague ideas of Old Testament plenty and New Testament glories in the Holy Land, they started by thousands, each family in their bullock cart, leaving all the means of industry behind: it was like the rush to the gold fields in modern times, but undertaken with far denser ignorance and under a more blinding glamour.

Policy and

The movement was favoured by other conditions as well: to Urban it probably appeared a diplomatic course which turned attention from troubles in Christendom itself; by some of the Italian cities, whose commercial

commerce.

relations with the east² had been ruptured by movements

¹ Michaud, *Crusades*, I. p. 60.

² These had been considerable; the fair on Mount Calvary on Sept. 15th was of special importance. Michaud, *Crusades*, I. 11.

among the Mahometan peoples, it may have seemed a wise commercial policy, as well as a source of immediate gain; to Genoa and Venice in particular it certainly proved to be the latter¹.

Within Europe, the immediate and direct result of the movement was an extraordinary redistribution of wealth, especially of landed property². Those who started on the first Crusade and desired to equip themselves for it, sometimes mortgaged their lands and never redeemed them; or they perished in Palestine, when their lands lapsed to the crown, or more frequently perhaps to monasteries that had been acting as trustees during the owner's absence. In one way or another the clergy were very largely gainers by this social revolution—at any rate in its earlier stages.

The sending out of such large expeditions, and the attempts to reinforce and supply them, opened up an amount of communication between the north of Europe and the Mediterranean which had hitherto been unknown³. They had another effect in the establishment

¹ Michaud, *Crusades*, III. 325 fol.

² Palgrave, *England and Normandy*, IV. 584.

³ The details of the course taken by various bodies of crusaders give us the best information as to the possible means of communication; just as at an earlier time (A.D. 333) the itinerary composed for pilgrims from Bordeaux to Jerusalem gives us our most accurate information as to the roads that were available then. (Michaud, *Crusades*, III. 351.)

Till the Cape of Good Hope was rounded trade between England and Persia or India must have been centred at certain depots on the Mediterranean or Bosphorus, and was conducted by various routes to and from these centres. In Roman times Ephesus had been the great depot for trade between the East and Rome, as also Alexandria: but Constantinople had gradually come to eclipse Ephesus, and Alexandria had been of less importance since it fell

of new lines of communication within the Mediterranean itself, and the planting of factories which long continued to be centres of commerce. Not least important is it to notice that the era of the Crusades seems to mark the compiling of a maritime code¹.

*Increased
commerce*

§ 34. We have thus noticed the causes which were

into Mahometan hands. Though Constantinople had a large share of whatever South German trade there was, as it passed down the Danube from Ratisbon and Vienna, she began to suffer in the tenth and eleventh centuries from the competition of Genoa, Pisa and Venice; a commercial route passed from northern Italy and the Istrian ports through the Tyrol to Augsburg and Nuremberg; both routes, like that to Marseilles, were accessible from Flanders, and therefore from England.

There were various routes by which the commerce of the East reached these European depots. In the eighth century it was chiefly brought by caravan from Bagdad: in the tenth we find Cairo and the Red Sea route more favoured; while the merchants of Constantinople had all along enjoyed a monopoly of routes by the Black Sea and Caspian, as well as by Trebizond and the Euphrates valley. Commercial relations with the East were of course seriously affected by the long struggle of the Crusades; but the cities of Italy profited by the business of transport which fell into their hands. The Venetians also secured more permanent advantages, and established numerous factories all round the Levant, besides obtaining (1203) a footing in Constantinople which gave them access to the northern routes to the East. Cf. Worms, *Histoire de la ligue hansatique*, Paris, 1864, pp. 11 ff.; Macpherson, *Annals of Commerce* under 1063, 1064, 1203; Michaud, *Crusades*, III. 325.

For routes at a later time compare Sanuto, *Secreta Fidelium Crucis*, a most curious work which throws extraordinary light on the condition of the East, and the nature and cost of military preparations in the fourteenth century; and T. Mun, *Discourse of Trade to the East Indies* (1621), p. 8.

¹ On the history of the growth of maritime law, compare Sir T. Twiss's Introduction to the *Black Book of the Admiralty*, II. p. xxxix. See also below, p. 178.

in operation for promoting greater trade: the security *centred in* given under the former Norman reigns, the closer connexion with the continent, and the general commercial movement of the day. How far each of these various factors influenced the growth of particular towns it may be impossible to say; but we may at least point out some signs of this general progress in England, during the period when these causes were at work.

To form any idea of the condition of English towns *the towns.* at the commencement of this period, we must of course turn to Domesday. In several cases, notably in Lincoln, Stamford and Cambridge, there is a mention of lawmen (*lagemanni*¹), who were distinct from the burgesses, and shew us some sort of municipal government. But even in these cases we do not find the freedom of managing their own affairs which the townsmen always craved, for it is not stated that these municipal authorities had rights of *sac* and *soc* or the assize in their own hands; and the assessment of the *landgabel* probably remained in the hands of the sheriff. All the inhabitants who had houses in the town and paid their share of the taxes were burgesses; but their modes of life need not have been very different from that of the dwellers on the neighbouring manors. They had land, and were engaged in agriculture; and though many of them may have engaged in trade, there is no reason to believe that a specially large proportion of the inhabitants were employed in industry. Some simple domestic manufactures were carried on in every household, town and country alike; and others, like that of the smith or the potter, would localise themselves in places where there was fuel or clay. In the towns the inhabitants were more thickly

¹ Probably a Danish institution, Stubbs, *Const. Hist.* 1. 93, 198.

clustered, but there could not be the same distinction between town and country employments that we find in the present day.

*Town
Gilds.*

One institution only can be named as markedly distinguishing some towns—for we have no proof of its existence generally—from any village: these were the gilds into which the burgesses were united by royal permission for purposes of social regulation. Such associations played a great part in Northern France in the first beginning of many towns¹; and by the common action of these associations a great deal was accomplished in the way of securing the inhabitants of each *commune* against the depredations of barons engaged in private wars, and generally speaking, of maintaining the peace of God. There was no need for them to undertake this function in historic times in England, as the king's peace was enforced during the parts of the year which the peace of God had been intended to protect, and also professed at all times to give security on the main roads and navigable rivers of the realm². The gilds may have at first existed to preserve peace; though their laws portray them as chiefly concerned in the eleventh century, with the maintenance of common interest and a mutual regard, which fitted the inhabitants to undertake the management of their own taxation when the opportunity arose.

*Internal
trade.*

During the hundred years which followed the taking of the Domesday Survey, the establishment of greater security and the closer connexion with the continent brought about a considerable development of internal trade. It was during the reign of William the Conqueror

¹ Semichon, *La trêve et la paix de Dieu*, I. p. 195. Levasseur, *Histoire des Classes ouvrières en France*, p. 180.

² *Roger of Hoveden*, II. 219, 223.

³ On Frithgilds see above, pp. 42 note, 73.

that a number of Flemings were driven from their own country by an incursion of the sea¹. In the reign of Henry I. they were removed from the neighbourhood of Carlisle, where they had been planted at first, to Pembrokeshire, where traces of the colony remained for many years, and are possibly not yet extinct. For the sake of opening up the country King Henry constructed a canal in the valley of the Trent from Torksey to Lincoln², or possibly reopened an old channel from which the river had previously been diverted. A.D. 1111. A.D. 1121.

There were other reforms which bear witness to the improvement in the conditions of commerce. The difficulties in trade from the defect of standard measures were met by a statute establishing one yard for the whole kingdom, and it was said that the length of the king's arm was taken as the standard³. Henry was however by no means successful in securing a uniformity, for Richard I. was forced to legislate on the same subject; his regulations have not been preserved in such detail as to be very instructive⁴. An effort to punish the moneyers⁵ for issuing light coin, met with very little success, if we may guess by the need which existed for repeating similar legislation from time to time; but by commencing to coin portions of the penny as round pieces, Henry did away with the necessity for occasionally breaking and thus reducing the coinage. *Measures and coins.*

¹ Macpherson, *Annals of Commerce*, on 1111.

² Ea tempestate rex Henricus facto, longa terrae incisione, fossato a Torkesceie usque Lincolniam per derivationem Trentae fluminis fecit iter navium. *Roger of Hoveden*, I. 179. Compare Macpherson, *Annals of Commerce*, 1121 n.

³ *William of Malmesbury*, lib. v. § 411.

⁴ *Roger of Hoveden*, IV. 33.

⁵ *English Chronicle*, 1125.

*Charters
granting*

No changes however were so important as the increased recognition of the burgesses as a responsible body, who might manage their own affairs according to their own customs. The full legal status of a corporate town was not yet conferred. London had indeed advanced far and was allowed to elect its own sheriff, and the citizens were freed from the necessity of appearing before other tribunals; but the greater part of the towns were doubtless on domains, where the lord of the manor could not, if he would, free them from the tyranny or extortions of royal officers. The possession of a hanse house where buying and selling might go on before proper witnesses seems to have been chiefly coveted by the townsfolk: we may simply regard it as a permanent institution to carry out the requirements of trading publicly that have been noted above¹. In York there was such a hanse; so too in Beverley²: in London a German hanse for the use of the men of the Emperor existed long before³.

a hanse.

*Burgh
customs.*

But if we want to get the clearest account of the customs which the burgesses maintained, when thus permitted by charter, we must seek for evidence from Scotland. The burgh laws of Scotland⁴ have undergone some modification in the form in which they have come down to us; but there is no doubt that they were originally embodied in the twelfth century, and that the customs had existed as an unwritten code for many previous generations; while the customs of Newcastle⁵ are practi-

¹ See above, p. 70.

² Stubbs, *Select Charters*, p. 109.

³ See above, p. 81.

⁴ Edited by Professor Innes for the Scottish Burgh Record Society.

⁵ Stubbs, *Select Charters*, p. 111.

cally identical with those of the Scotch burghs. When we pass to a later period we find in the *Domesday of Ipswich*¹, compiled in the time of Edward I., a detailed picture of the system of government which had grown up in a chartered English town,—of the rights and status of the burgesses, the administration of justice, the protection of property, as well as the care for trade. The customs which thus grew up among sensible citizens marked the lines which legislation subsequently pursued.

From Henry's point of view it was desirable that trade should centre at public places where the dues of trade could be easily collected; and to remit the dues would always save the king trouble in collecting them from the dwellers in what thus became a *free* town, but he lost in no other way as they paid him an annual composition: this annual payment was levied on the dwellers in the town as a house rate. The burgesses, who paid heavy rates for the enjoyment of freedom from custom duties, were naturally anxious to protect themselves against others who tried to use their privileges without sharing their burdens². In the Scotch burgh laws we find much jealousy of the *upland* man, and every facility of distraint against him is given: on the other hand disputes among burgesses are to come before the burgh court. Similarly no trader, unless a merchant, was to buy or sell in the country round any of the chief commodities of trade; and privileges of this sort were secured to the towns by the charters of Henry I. The burgh laws regard these privileges as a right to which the burgesses were entitled by the purchase of their freedom

¹ Printed in the *Black Book of the Admiralty*, II. p. 1.

² Such as men who had the freedom but lived out of the burgh, craftsmen who as poor men paid a very small share of the burden, and unfree traders who competed in the district.

from paying tolls¹; but before such composition took place, the kings would be not unwilling to grant privileges so as to force the trade into public channels where their officers could collect the dues.

Incorporation

of the townsmen ;

The most important change in the position of the towns was the recognition of the burgesses as collectively responsible for the royal revenue, instead of having it paid through a sheriff. It was an undoubted improvement, both from the point of view of the king and the burgesses, since both gained when the middleman no longer intervened between them. The collection of dues and taxes was farmed to one of the inhabitants rather than to the royal officer in the shire; but it might not always be the case that any of the townsmen were such substantial men as to be deemed by the king fit for such a responsibility. When the burgesses were incorporated, however, they became collectively and individually responsible for the payment of the annual ferm², and for the payment of arrears incurred at any time after incorporation; and thus the king was always able to farm out the revenues of such a town to an officer of their own choice. The real point of the change made by incorporation was the establishment of a collective responsibility on the part of the burgesses: and when the king had a responsible body with whom to deal, he could dispense with making any provision for collecting the customs, or levying of burgage, or securing profits which arose from jurisdiction³. The citizens undertook

¹ On the gross abuse of these privileges by the men of Newcastle in the seventeenth century, see below, p. 274.

² Madox's *Firma Burgi* is one long argument to establish this point.

³ See especially the charter of Henry I. to London. Stubbs, *Select Charters*, 108.

to pay him an annual composition for all these sources of revenue, and thus were made free of customs and other taxes, while they levied a house rate among themselves to discharge the annual payment. The management of the town thus incorporated was closely associated with the formation of a gild: in the Scotch towns the gild and the town seem to have been practically identical, and it was argued at one time that in England too this had been the case—a view which had important political consequences when Charles II. desired to attack the freedom of the burghs¹. It is, however, more correct to say that one of the privileges which the townsman chiefly craved was that of having a gild. A gild might perhaps be set on foot, but could not exercise any authority without royal or at least municipal permission, as became specially evident when Henry II. fined the adulterine gilds²; but it was a privilege of which the townsmen availed themselves as soon as it could be obtained³; and the town gild of most towns is probably just as old as the first privileges that were granted to the citizens.

The gild affairs were managed by the most substantial citizens, and when the industry of the towns was so little developed these were undoubtedly traders or merchants, since trade was the *raison d'être* for most of the towns. It never was a mere merchant gild, favouring the merchants as a class and oppressing the craftsmen as a class, unless the opposition became defined

¹ Cf. Ranke, *History of England*, IV. 170. On the relation of gilds and boroughs see Twiss, *op. cit.* II. xvii.

² For the names of several of these unwarranted gilds cf. Madox, *Forma Burgi*, p. 16.

³ Merewether and Stephens bring out this point in connexion with the granting a charter to Ipswich by John. *History of the Boroughs*, I. 393.

by the formation of craft gilds; and in England this opposition did not come to be of any importance since there was a strong royal jurisdiction to do justice between them¹. The royal power, by affording security to the merchants at home and by undertaking their negotiations with foreign countries, relieved the English merchant gilds specially tenacious of their privileges². It was from the action of these causes that the town gilds of England, though spoken of as merchant gilds, never became mere exclusive gilds of merchants for favouring mercantile interests, as was the case in Scotland and Germany.

*Business of
the gild.*

The business of the gild was that of framing and enforcing a sort of market law,—seeing to the weights and measures in use, taking measures for securing and evidencing by their trade marks the quality of goods exported from the town, adjusting disputes of any kind³.

*The assize
of bread.*

It was often the duty of this body to regulate the assize of bread and beer⁴, that is the sliding scale by which

¹ Brentano's general account of gilds (*Gilds and Trades Unions*) has almost ignored this striking distinction, and treated the English gilds as if they were closely analogous to Continental ones: his statements are admirably discussed in detail by Ochenkowsky, *Englands wirtschaftliche Entwicklung*, p. 36.

² All these points are most fully brought out in the very complete accounts which are preserved of the Scottish merchant gilds. *The Records of the Convention of Royal Burghs* are an invaluable source of information which has attracted surprisingly little attention.

³ E.g. the business of average adjusting, and dividing the share of loss to be borne by the shipowners and owners of cargo respectively when a cargo was lost. *Records of Convention of Royal Burghs*, I. 117.

⁴ The maltsters at Aberdeen endeavoured to be recognised as a free craft with their own 'dekyn,' and thus to get the assize of beer into their own hands, but experience proved "the haill commonis

their values were adjusted as corn varied in price¹. The weight of the loaf was to be reduced according to a fixed ratio, which allowed for the cost incurred by and for a fair profit accruing to the baker, as corn rose in price. In Scotland this long remained a piece of burgh regulation; but in England a general assize of measures for the whole kingdom was established in the Great Charter². A.D. 1215. Similar attempts made by Henry II. and by Richard I.³ had apparently been failures; but by the time of Edward I. there was one assize of bread and beer recommended for all towns⁴.

The town gild was certainly a native institution, but it was so far analogous to the French *communes*, that the development of these institutions abroad, during this same century, may probably have reacted favourably on similar progress in England. Another urban institution *Craft gilds* was in all probability directly due to the connexion with Normandy at this time, and an importation from Rouen, rather than a native growth. There is some reason to believe that the Roman colleges of artisans⁵ so far

to be mekill preiugit thairby, and to sustene intolerabill skaith." *Convention of Royal Burghs*, I. 104.

¹ See Appendix II.

² King John also established an assize of wine, fixing the price at which the wines of Poitou and Anjou were to be retailed, and also the wholesale prices. He left so little margin of profit, however, that the merchants could not continue the trade, and the retailing price was raised from 4*d.* and 6*d.* to 6*d.* and 8*d.* the gallon, "*et sic repleta est terra potu et potatoribus.*" Roger of Hoveden, IV. 99.

³ Roger of Hoveden, IV. 33.

⁴ Fleta II. 12 incorporates it in his instructions for the management of royal estates. The precise date of promulgation is uncertain. See Appendix II.

⁵ In regard to Roman gilds compare Hatch's *Bampton Lectures*, Lect. II. notes, and Levasseur, *op. cit.* Book I.

survived in some Gallic towns during the barbarian invasions, that they naturally revived as soon as the country became sufficiently settled to allow of industrial progress. At any rate we find from very early times *corps-de-métier*, which bear very strong marks of a Roman origin; and after the Norman conquest, though not before, we find traces of similar associations in English towns: the weavers of London are mentioned in the time of Henry I., and craft guilds were among those dissolved by Henry II. on coming to power¹. The evidence of language would also favour the supposition of a Norman origin, for we should scarcely find a native institution so generally called by its romance name of *mestier* or *mystery*².

*Progress of
towns*

So far the influences which have been noted as contributing to the growth of the towns were the establishment of greater security by the kings, and the closer connexion with the continent; we can also see the direct effect of the Crusades. Barons who were going abroad were anxious to obtain a large sum of ready money, and one way of procuring it was by granting a charter of liberties to a town under their jurisdiction: for such a privilege the townsmen were willing to pay a large fine. They could not of course commute all future annual dues by one large payment, but they could pay a fine for the privilege of incorporation, and for obtaining the advantage of farming their own customs and taxes themselves. It is thus that times of special need were the great opportunities for paying a fine and securing a

¹ See below, p. 205.

² This is derived from the Latin *ministerium*: the recognised spelling of this word, as if it had some connexion with *μυστήριον*, is an obvious blunder. Even the art of printing is no mystery in that sense of the word. Madox, *Firma Burgi*, 32.

charter. The charters of Rye and Winchelsea¹ were A.D. 1191. confirmed on their supplying two ships when Richard Cœur-de-Lion desired to go on the crusade, those of Portsmouth and Norwich² from about the time when A.D. 1194.³ money was required for his ransom.

The extraordinary development of town life during the century from the taking of the Domesday Survey till the reign of Richard⁴ is most clearly marked by the facts which shew that the towns were now becoming not only trading but industrial centres. While in Domesday Book *in in-* there are few, if any, indications of this side of their life, *dustry.* the formation of craft gilds, not only in London, but in provincial towns gives proof of a very general progress, while some of the stories that have come down to us—notably that of William with the long beard,—give incidental evidence in the same direction. This gradually increasing industry would have in itself accounted for the increasing foreign trade (by which it was doubtless stimulated in turn); even if we could not point to such important concomitant causes as the political connexion with the continent, and the international communications which were established by the crusaders.

§ 35. It is under the circumstances disappointing to *Shipping.* have so few notices of actual voyages and shipping. One such occurs in the time of Henry II. when the king of Sicily offered to send galleys to convey an English princess who was betrothed to his son to her new home⁴.

¹ Rymer, *Feodera*, 1. 53.

² Rymer, *Feodera*, 1. 63.

³ On comparison of the vague clauses in Henry I.'s charter with the explicit promises in the Great Charter, cc. 12, 13, 20, 33, 37, 41, we shall be inclined to this shorter period as being the time of most marked progress.

⁴ Rymer, *Feodera*, 1. 32.

Another is found in the accounts of the fleet formed by A. D. 1190. King Richard when on his way to Palestine: it is said by English chroniclers to have created a great sensation among the people of Sicily who had never seen its like. It consisted of thirteen large vessels (busses or dromonds) with three masts each, fifty armed galleys, and a hundred transports. More than a hundred other vessels formed another fleet which started at the same time, but did not touch at the same point. The galleys were low and light ships armed with a beak by which an enemy's ship might be pierced; all the vessels composing these fleets could be managed either with sails or oars; in general they were manned with two banks of rowers¹.

*its direc-
tions;*

The want of further evidence of the same kind is partly explicable, if we may assume that no regular commercial voyages were made during this century between Italy and England. The surprise of the English travellers at first seeing flying fish may go to shew that English sailors were at this time unfamiliar with the Mediterranean waters. The chief English shipping trade would then be carried on across the narrow seas, and towards the north; while communication with the south of Europe was kept up by land transit. At the opposite pole, Norway was a great naval power, and seems to have been important commercially as well; the Scotch bishop A. D. 1074. Turgot escaped from Grimsby by getting a passage in a Norwegian merchant ship²; and other incidental notices seem to imply a large trade there.

*the articles
conveyed.*

We are not wholly destitute of information as to the chief articles of regular trade³. Henry of Huntingdon,

¹ Macpherson, 1190, and authorities quoted there.

² Hoveden, I. 129. Compare also Forrester's translation of Ordericus Vitalis, III. p. 214, and notes there.

³ Occasionally, there was an export or import of corn. Madox,

whose history was finally given to the world about 1155 in extolling the natural products of Britain', adds a single sentence in regard to its trade. He speaks of the trade with Germany as extensive, and mentions the objects in which it was carried on. The exports were lead and tin, fish and meat, fat cattle, fine wool and jet: most of these are articles of very general demand; while our realm was so self-sufficing that there were none of the necessities of life, for which England in turn depended on Germany. Under these circumstances the silver of German mines, was imported into this country in very considerable quantities. From other sources we learn that foreign furs were in great demand.

It is not out of place to notice that owing to the high position which English kings then had in Europe there were frequent embassies from and much diplomatic intercourse with foreign lands; and it is not straining the indirect arguments if we assume that just as pilgrimages had smoothed the way for merchants, so these favourable conditions opened up a larger foreign trade: at the same time it must be remarked that the direct evidence is curiously small, and that in the few diplomatic communications with foreign powers which have been collected by Rymer there is a singular silence in regard to affairs of trade. The great undertakings which roused admiration, were due to the vigour of kings who conquered, and fortified, and went on pilgrimage; there was little room for the enterprise of private citizens, nor did they

*Diplomatic
inter-
course.*

Exchequer, p. 323, note k. The mention of slaves, by Giraldus Cambrensis (*Exp. Hib.* 1. c. 18), as articles of regular trade occurs in a passage which is too rhetorical to be regarded as free from exaggeration.

¹ It is interesting to compare his account of the natural products of Britain with that in the first chapter of Bede's *History*.

take the initiative in any of the lines of progress we have noted. Royal connexions united England with the continent, royal policy granted the charters of incorporation, and royal examples stimulated the movement of the crusaders: though the initiative did not come from the people, these changes had striking effect on all classes; through the exercise of the royal powers were arising social institutions that were destined to control the royal will: the prosperous merchants of the towns¹, the increasing numbers of craftsmen, and the opening opportunities for foreign trade, were inconsistent with the social stagnation which could alone be compatible with a permanent feudal system.

¹ Such as Becket's father must have been.

III.

CHRISTIAN MORALITY AND PAPAL POLICY.

36. Immorality of Usury. 37. Jews and Italian Merchants.
38. The drain of currency. 39. Pressure of Royal or Papal
Taxation. 40. Provision for the Poor.

§ 36. An attempt has been already made to shew the need which was currently felt for some sense of right and justice higher than respect for the mutual obligation of a feudal contract; and it was pointed out that S. Anselm's appeal to Rome, and the rest of the struggle about investitures, have this as their real meaning¹. But the papacy, instead of answering the expectation of such men, was being dragged down to the level of the secular policy of the day: realms were treated as fiefs which the Pope granted to kings on definite terms; there was no fundamental difference between the grant of Ireland to Henry II. on condition of paying Peter's pence², and any similar grant from a king to a lay-baron, though the precise terms of these contracts were dissimilar; but it was by the course of papal policy during the reign of King John that the distrust of the Roman court as a fountain of justice came to be most strongly felt in England. People had hoped to find that the papal policy would be based in a high standard of right, while it seemed to be shaped merely

¹ See above, p. 116.

² Rymer, *Foedera*, i. 19.

by the desire of aggrandising the Roman see, and of enriching foreign ecclesiastics. The papal interference in English affairs of state, and in the administration of the English Church, furnishes a most interesting side of our constitutional and ecclesiastical history: but in economical matters, the interest is not so much in regard to effects that lasted for long ages, as to the light which this interference throws on international intercourse, and in a measure on the pressure of taxation, during the thirteenth century.

*and
morality.*

*Usury
unlawful;*

But though the diplomacy of the Roman court was sowing the seeds of the antagonism to papal interference which has flourished so luxuriantly on English soil, there never was a time when more vigorous efforts were made by the Church to enforce a high standard of commercial morality. Monkish writers, as the modern phrase goes, like Matthew Paris, were struck by the apparent inconsistency between the decisions of the Pope on the appeals which came before him, and the conduct of his agents here¹. The whole of the commercial system which the Church endeavoured to enforce centred in the doctrine of the unlawfulness of usury. Originally recommended to the clergy as an excellence, abstention from receiving interest on loans had come to be regarded as a moral duty for all Christian men: it was not a crime to be punished by the law of the land, but a moral wrong to be repented of as a sin, and for which restitution should be made. It was in this way that the question of interest (or usury), and with

¹ A most careful study of the casuistical distinctions which were then current, and of the precise facts in dispute would be required before we could pronounce for certain whether this inconsistency was not only apparent but real. On the general subject compare W. Endemann, *Studien*, p. 97.

it, all the commercial questions which depended on it, came to be discussed by writers on penance¹.

The strong feeling in regard to the immorality of usury becomes perfectly explicable when we consider the circumstances of the time, and remember that there was, broadly speaking, no field for investment. If any one had a large sum of money, he could not apply it to any productive purpose: the method of tillage employed in each manor was binding on all the tenants there, and this prevented any enterprise in agriculture: similar obstacles rendered it impossible for any craftsman to extend his business; in mercantile pursuits this was far less true, but still so far true, as not to affect the broad statement². In these circumstances, a man who had a hoard of wealth was unable to employ it so as to gain a profit: if he lent it, supposing the security were good, and the sum was repaid to him, he had done a service to another, but had himself suffered no deprivation; and there was no labour or privation for which he could claim any compensation. Some one who may have had plenty of wealth, but was in pressing need of ready money, asked for a loan; to take interest from him was to take advantage of his necessities, for a service which involved no labour, no privation, and little, if any, risk³. The Jew could not use his hoard: a baron or abbot needed it to go on a crusade or repair a church;

¹ Endemann, *op. cit.* 9—14.

² When there came to be more frequent opportunity for embarking money profitably in mercantile speculations, and the productive power of trading on industrial capital was better understood, the moral objection to taking interest died out. Compare below, the opinion of Robinson (p. 337), in the time of Charles I.

³ The loans of which we hear were given on the security of taxes or of land. An interesting case, about the year 900, of borrowing £30 for seven years, on the security of land, and repaying it without interest, occurs in Thorpe, *Dipl. Ang.*, p. 301.

the baron or abbot by mortgaging his lands or revenues could give perfect security, and if the Jew charged interest he was simply preying on the needs of his neighbour—it was extortion. Still more cruel did it seem to take advantage of the farmer who had suffered by bad seasons, or the merchant who had had losses at sea. The prosperous never borrowed to extend their business, but the impoverished man might be reduced to great straits for want of stock with which to work for his living. To make an advance to the poor out of their own superfluity was the Christian duty of the rich and charitable; but to demand more than the simple repayment of a loan made to the necessitous, without cost to the lender, was mere extortion. Till times were so far changed that the rich man's hoards of wealth need never lie idle, but might through one channel or another set industry in motion, it was not thought possible for anyone to make a profit on his hoard except by taking advantage of the losses or necessities of other people: such extortion was immoral¹, and the Church rendered it illegal for Christian

¹ The state of popular feeling on this subject has changed far less than is sometimes supposed: by 'fair interest' we ordinarily mean interest that has a close relation to the current rate of profit on industry, an allowance being made for risk; a rate of interest which is far above this is still denounced as immoral where the lender is obviously taking advantage of the necessitous condition of the borrower. Opportunities for doing so are not infrequent, as in a very large number of cases the borrower is anxious to secure secrecy, and the lender to whom he first applies is practically certain of driving the bargain on his own terms, since the borrower cannot hear of other offers without exposing himself further. In other cases the competition of monied men will bring the current market rate of interest into close relation to a 'fair' interest, *i.e.* to the ordinary profit on productively employed capital: it is consequently only when there is no real competition,

men. There was another point of view from which the immorality of usury appeared obvious. Much stress was commonly laid on the Christian duty of pursuing some labour as a discipline of body and mind, even apart from the necessity of earning a living. In the earlier monastic life this duty is clearly brought out, and in each reform it was strongly insisted on¹. But the usurer earned his

*while
living
without toil
was im-
moral.*

and borrowing takes place secretly, that the ordinary Englishman denounces money-lending as extortion.

We habitually regard lending money on interest as one of the recognised usages of society, and take for granted that all is fair, so long as only the market rate, making due allowance for risk, is charged: but a perplexing problem appears as soon as we are called on by Socialists to justify the usage of modern society, as we habitually assume that our present social system is the best practicable, and that industry would cease if we tried to remove the burden of interest paid to private capitalists. From this standpoint Senior and J. S. Mill try to justify interest as being the "reward of abstinence," but this phrase is ambiguous. Abstinence from spending one's wealth is emphatically a virtue which is its own reward: the capitalist exercises his virtue of not-spending and is rewarded by having his capital to use: he has no claim for further reward from year to year on the mere ground of his abstinence during the period of saving. But if he uses his capital productively, he obtains a profit by setting labour in motion; if he lends his capital to another he can fairly claim interest for *abstaining from making a productive use* of his capital himself. Only in this last sense of the phrase can interest be justified as a reward of abstinence.

For an interesting statement of the argument against interest, see E. Fauconnier, *La Question Sociale*, pp. 95—147.

¹ Maitland, *Dark Ages*, p. 160; and compare Morison, *Life of S. Bernard*, p. 18. See also above, p. 59. From a somewhat similar point of view modern socialists denounce the *rentier* class: they would have stock for carrying on industries supplied out of public resources (see below, p. 412), and each individual remunerated according to the work—manual, intellectual or administrative, he did.

living without labour: with no sweat on his brow did he eat his bread, and therefore his course of life seemed to be immoral.

Unsatisfactory arguments adduced.

The circumstances of the time explain how all interest seemed to be extortionate, and therefore wrong: the writers of the day start from the consciousness that the taking of interest was wrong, but are not very happy in their attempt to explain how and why this was the case. The biblical argument, based on S. Luke vi. 35, was chiefly relied on; though the parable of the Talents presented a difficulty which had to be explained away: the Aristotelian opinion regarding the barrenness of money was also pressed into service; but it was not until the entire change in the economical conditions made the productive use of hoards generally possible, that the permissibility of taking interest commended itself to ordinary minds, and was expressly maintained by Calvin and Salmasius.

§ 37. From the fact that taking of interest was prohibited to Christian men, it followed that money-lending was a business which could not be pursued except by Jews¹; in England they had an entire monopoly of it for a time. But the Jews had no rights or status of their own; they were the mere chattels of the king, all that they had was his. In this lay their security from popular violence²; but it was a security for which they had to pay

¹ The Jews also so far shared in the feeling against usury that it was a moot point whether their law allowed a Jew to take interest from another Jew, or only from Gentiles. In the fifth year of Richard I., Judas, a Jew of Bristol, incurred a fine, of two ounces of gold, for leave to have inquisition made in a Chapter of Jews, whether this was sanctioned by Jewish Custom or not (Madox, *Exchequer*, p. 166). It was distinctly condemned by their Scriptures. Deut. xxiii. 19, 20.

² "Letters patent tested the 3rd of April, were issued, setting

dearly¹. Their transactions were all registered in the Exchequer; debts due to them were really due to the king; and they might not accept compositions for payment, or grant a secret release². As a matter of fact therefore, the king had, indirectly, a monopoly of the money-lending in the country: so that the expulsion of the Jews by Edward I. was a permanent loss of revenue to the crown³. The Jews gained usurious interest⁴;

forth the injuries the Jews had lately received in the disturbances throughout England, and commanding the bailiffs and good men of Cambridge to make public proclamation throughout the town, that no one under peril of life and members should damage, molest or aggrieve the Jews, their lands, property, houses, possessions and goods, both within the town and without as much as they could." Cooper, *Annals of Cambridge*, 1266.

¹ By a writ tested the 14th of May the King constituted Isaac the son of Samuel, and other Jews, together with the Sheriff of the county, commissioners for distraining the Jews of the town of Cambridge for the proportion of a tallage of 20,000 marks; and a writ of assistance of concurrent date was directed to the Sheriff. The commissioners had power to seize the wives and children of the parties charged with this tallage. *Ibid.* 1241.

² Compare Madox's interesting chapter on the Jews, *Exchequer*, pp. 150—178.

³ It was a most expensive source of revenue, as the king got but little compared with what the people paid. For no action has Edward I. been more unjustly blamed than for the expulsion of the Jews. In the interests of good government the step was absolutely necessary, for owing to changes of circumstances, the Jews could no longer be treated as royal chattels, nor was the law strong enough to protect them if they were placed in the position of other citizens. When the step was determined on every care was taken to protect the Jews on their journey, and to procure for them the payment of the sums owed them by granting a remission of money that would otherwise have been exacted for the crown, to those who discharged their debts to the Jews themselves. Compare *Greatest of Plantagenets*, p. 148.

⁴ In Jocelyn of Brakelond's *Chronicle*, p. 2, there is a curious

a king by general fines, by fines for law proceedings, or by punishments for crimes,—even without proceeding to the grosser extortions which were practised by John,—replenished his own treasury out of the gains of men whose lives and property were in his absolute control, and whom he could mortgage, like other possessions, if it suited his purpose¹.

*and
banking.*

Besides being a convenient source of revenue to the crown, they also did the banking for the crown, by accommodating the king with loans. It appears to have been under the Normans, when the direct control of the king and his officials was so much more extensively exercised than before the Conquest, that Jews first appeared in England; as it was certainly the case that the king had more need for the regular assistance of bankers then, than in times when the business of government was less complicated. The expulsion of the Jews made the Edwards more dependent on the Italian bankers who had settled in Lombard Street, for the temporary loans they needed²: Edward of Carnarvon's policy was crippled by the pressure of his father's debts; and the extravagant demands of the third Edward ruined the bankers who had given him supplies.

*Italian
bankers,*

*their
evasions of
canonical
restrictions.*

In spite of the moral and Christian objections however, Christians, from a very early time, found means to engage in money-lending under the colour of fair trade.

account of the rate at which monastic debts to Jews, with the accruing interest, mounted up.

¹ For an excellent account of the condition of Jews throughout Europe, cf. von Raumer, *Geschichte der Hohenstaufen*, v. 243—256.

² E. A. Bond, On loans supplied to English Kings by Italian merchants in thirteenth and fourteenth centuries. *Archæologia* XXVIII. 207—320, where a large number of interesting bonds, letters of credit, &c. are given.

Matthew Paris gives a most interesting document from A.D. 1235. which we discover one such method of evasion¹ which was commonly practised. A sum of 104 marks was borrowed of certain merchants, called Causines², on April 24, to be repaid in full without interest on August 1st. If however the money was not forthcoming at that date, interest at the rate of 10 per cent. every two months,—60 per cent. per annum,—besides other charges, was to begin: this interest was nominally payment for expense incurred in sending for the money again and again; and through this excuse, the various canons and enactments against taking interest were evaded. The remarks of the monk may be quoted as clearly expressing the state of feeling on the subject: "The Causines circumvented the needy in their necessities, cloaking their usury under the show of trade; and pretending not to know that whatsoever is added to the principal is usury under whatever name it is called. For it is manifest that their loans lie not in the path of charity, inasmuch as they do not hold out a helping hand to the poor to relieve them, but to deceive them, not to aid others in their starvation but to gratify their own covetousness, seeing that 'the motive stamps the deed.'"

Such was the feeling of an honest man in regard to the principles of fair trade: the taking of usury was the most flagrant violation of fair dealing and Christian duty, and this attracted most attention: doctors of the Church drew out the corollaries which followed from this prohibition at great length; and burgh customs and statute laws were influenced by the feeling. There were, however, other forms of trade which seemed to lie open to

*Profits of
Middle-
men.*

¹ Mat. Paris, *Chronica Major*, III. p. 329.

² Causines, or Cahorsines, the merchants of Cahors in Guienne. Dante, *Inferno*, XI. 49.

the same charge: the profit of the merchants often seemed to come from the needs of their customers rather than from their own exertions in business; and as we shall see below, enactment after enactment was passed to remedy this apparent wrong.

*Power of
the Pope,*

§ 38. The position of feudal suzerain of England which the Pope had acquired during the reign of John, and the fact that by the will of that monarch he was guardian to the young Henry, strengthened the hold which the papal power had upon the revenues of England, and especially of the English Church. Peter's pence had been paid with more or less regularity since the ninth century; while preparing for the second crusade, the Pope taxed the clergy throughout Christendom as a means of supporting the undertaking; the connexion with the Roman See, which William of Normandy had introduced and S. Anselm favoured, was soon made an excuse for constant appeals; and immense sums were paid as mere bribes to the papal servants at Rome¹. In particular the various pretexts under which Rufus had appropriated Church revenues² were soon used on behalf of the papacy; while a large number of the richest benefices in England were in the hands of aliens and foreigners. The amount of ordinary papal taxation has been estimated at the enormous sum of 60,000 marks, for the year 1245, by Matthew Paris.

*and conse-
quent
taxation,*

*trans-
mitted by*

The gathering and transmission of so much money was a matter of no little difficulty; and the mechanism

¹ Otho proposed to assign a proctor at the court of Rome to each diocese, but it was not obvious that the payment of one man would have made it less necessary to see several. Pearson, *op. cit.* II. p. 143.

² For calculations as to the amount of these resources, compare Pearson, *op. cit.* II. 496, and Milman, *Lat. Christ.* IX. 15.

by which it was accomplished throws no little light on the conduct of trade at the time. The tithes were A.D. 1231. gathered in kind and probably sold in the town markets¹, and the price remitted to Italy, either in specie, or more probably in bills of exchange. We hear of letters of *bills on* credit on behalf of persons abroad being issued by King A.D. 1199. John², and there can be no doubt that payments to the papal court were constantly made in the same way. The frequent complaints of the scarcity of coins in consequence of the sums paid to the pope would be quite as much justified if the coin was hoarded by merchants, as if it was actually transported³. This last would only be done when it was absolutely necessary.

With the development of foreign trade, which has been noticed in the last chapter, there must have been more need for the presence at every great mart, of men who were skilled in the business of exchanging the coins *exchanges*, of one country for those of another: the great variety in circulation even in one country where many people claimed the right of coining must have been considerable; and when foreign merchants arrived to make purchases, it was necessary to effect an exchange of their foreign coins, for the coinage of the country. This was

¹ In Kent in 1231, the opponents of the taxation, by means of forged letters, obtained payment of tithes on the Pope's behalf and then sold the goods for the public benefit. Pearson, *op. cit.* II, 150. Rymer, I. 203.

² Rymer, *Foedera*, I. 78.

³ A scarcity of coinage would reduce many persons to a condition of bartering, and thus hamper trade by re-introducing the inconveniences noted above (p. 73). In so far as this was the case, trading would decline within the realm: e.g. at the fairs, no one would have money to buy, travelling merchants could not afford to barter with cumbrous goods, and so the whole would stagnate. But this might occur while prices remained unaltered: silver would

whose
method of
business

done by the moneyers; and was, naturally enough, part of the business of the mint, as the foreign silver was recoined for use in England. But as soon as the work of the mint was centred in one place, there came to be a class of dealers in every town, whose business it was to change coins current in one land for coins of other denominations, or perhaps of the same denomination but of other values, current in the land where the alien merchants lived. It was a craft involving much skill¹, and the earnings made by exercise of it were called *cambium minutum*. It is obvious, however, that this occupation gave very great opportunities for fraud, and that under pretence of taking their earnings, very many may have made an extortionate profit.

Soon however it became obvious that the risk and expense of transporting the precious metals might be reduced by the use of letters of credit, if the merchant in one town had a branch establishment (*filiale*) in another: a perfect network of branches was started by some of the Italian firms. In such a case it was considered fair to

be withdrawn from circulation, but it would not necessarily follow that each piece of silver bought more goods, and that therefore prices fell. In so far as this occurred and general prices kept falling, it would introduce a stagnation into the trade between different parts of the country, and into the industry of town and country. For the reason of this, and an instance of the opposite effect with the discoveries of silver in the New World, see below, p. 308. A parallel to the stagnation of English industry through papal taxation has been drawn by some writers on India in the present day: they assert that the poverty of India under English rule is increasing, owing to the continued drain of interest on capital, and remittances for officers' families, pensions, &c., to England. Compare Dadabhai Naoroji, *The Poverty of India*, pp. 30—39.

¹ Chaucer's merchant had great skill in this business. See the *Prologue*.

charge not only the *cambium minutum*, but in addition to make a charge for the actual transport of the precious metals which it was supposed must sometime or other take place between the two houses: this larger charge was the *cambium reale*; and this too was not condemned by the Church, as it appeared to be a real payment for work done. To their functions as exchangers, these dealers added that of transmitting coins¹.

But all this opened opportunities for money lending, ^{enabled} under the colour of commercial transactions; it was as ^{them to} impossible to distinguish the one from the other as the ^{lend} ~~money~~. 'real' from the 'fictitious' bill². Coins could be advanced to a necessitous man to be repaid by him to the lender, but according to the currency of a different place: or a bill of exchange on a distant part might be given him, which he subsequently cashed in the place of issue, after paying for a wholly imaginary double transport (*cambium* and *recambium*). This was lending money on interest, and was unhesitatingly condemned; but such transactions could hardly be brought to light or punished while the exchange business, which was regarded as legitimate, was still carried on. Altogether dealing in coins was a most profitable business; so that in the fourteenth century, and possibly earlier, those who had hoards were glad to deposit them with Caursini,

¹ The trade of transmitting coins for the sake of obtaining profit was regarded with great suspicion by government. See several statutes below, p. 167. Compare also 14 Richard II. c. 1, where the Pope's Merchants are enjoined to buy and export English goods to the amount of the sum taken out of the realm. These statutes have chiefly reference to the preservation of English coin: for the view taken of the trade by those who thought the transmission of coin reduced the permanent treasure of the country, see below, on Malynes, pp. 312, 313.

² Goschen, *Foreign Exchanges*, 37.

in order to have a share in the profits of their unlawful trade¹.

*Effects of
this drain*

Contemporaries believed that the effect of the papal taxation was to drain the country of silver; arguing from modern times we should be inclined to believe that the imports from Italy into England would be seriously diminished, and the debt thus discharged without the actual transport of silver; but this implies the recognition of silver as the embodiment of valuableness²; whereas we find rulers then treating of coins as a special commodity. If the chief houses in Italy had very large sums of money they might be able to honour the letters of credit issued by their branch houses and to count on the return of the coins into their coffers in the ordinary course of their Italian business. Transport of bullion would, under such circumstances, be unnecessary; but a vast amassing of treasure would go on in the hands of the English agents.

*or monopolizing of
currency*

This subject has an additional historical interest, as the facts of the time furnish a valuable instance of the evils which rose from ignoring the *political*—not the commercial—maxims which were the foundation of the Mercantile System in the seventeenth century³. For merchants to export, or to amass in their own coffers, the current coin of the realm, could not be regarded as a light matter; for when the cur-

¹ An admirable account of the growth of this exchange business and of the various subterfuges by which the condemnation of usury was evaded, is given by W. Endemann, pp. 94—114. The immediately preceding pages contain an interesting analysis of several specimens of very early bills of exchange.

² On changes in the common estimation of money, see below, p. 248.

³ See below, p. 305.

The great landholders were also galled by the *Papal* papal taxation, in so far as it affected rights of *burdens on presentation, and it was in many cases¹ bitterly re- the nobles and clergy.* sented; but the clergy suffered chiefly from its pressure. From the bitter expressions with which Matthew Paris inveighs against the pope's merchants, we may gather that many of the monasteries and bishops had been compelled to borrow money: the payment of papal taxation was one call which they were tempted to meet in this way; especially as the merchants who *Indebted- transmitted the payments would be only too glad to ness of mo- suggest some of those pecuniary transactions by which nasteries,* they personally profited most. Jocelyn of Brakelond gives a sad picture of the indebtedness of a great house²: a general bankruptcy had apparently overtaken many of the foundations at the time of their dissolution. If this was partly due to extravagance in building and decorating their churches, the pressure of papal taxation must have in no small degree contributed to their difficulties.

The only monastic communities that seem to have been really flourishing during the thirteenth century, were *except those the Cistercian houses. More ascetic than other monks of Cister- cians.* in their modes of life, and caring less for costly accessories in their worship, they had settled in sparsely inhabited regions where they devoted their hours of industry to

¹ The figure for the royal revenue seems small: at the same time there can be no doubt that the sources of royal revenue were diminished when Edward the First found it so necessary to enquire about them. This is neglected by Mr Pearson in the elaborate calculation in which he estimates the royal revenue as larger than it was supposed to be by contemporaries. *England during Early and Middle Ages*, II. 199, and App. A.

² *Chronicle of Bury*, p. 2.

the keeping of sheep¹. Each of their houses was subordinate to the grand chapter of the order which met abroad. Without the consent of this chapter they could not alienate the goods of the order, and they were thus less liable to royal extortions than the members of other houses.

*Pressure of
taxation in
towns,*

*and on
traders.*

*Misery of
the poor in
towns.*

The effects of the pressure of taxation, whether royal or papal, would also be felt very severely in the towns. The occasional aids, like tallages, would be a great burden to traders who were not hoarding their wealth, but had invested it in goods which they were trying to sell; while they felt the inconvenience of heavy tolls², even when they could recoup themselves for this outlay. Still more onerous would the tithe of their moveables be, for their moveables were their whole stock, not as in the case of landed gentry a surplus, or at most a portion of the resources they had stored for increasing their wealth. In the time of Edward III.³ the goods of those who lived by their stock were excluded from the taxation; but it is not clear that this exemption had been made in earlier reigns. Even if this was allowed, the impoverishment of the landed gentry and monastic churches must have implied a great falling off in the demand for goods of all kinds, and a consequent depression of trade of a most serious character. We have direct evidence of the misery in the towns; the existence of a large suffering and outcast population, stricken with the diseases bred of squalor and want, called forth one of the most noble missionary efforts the world has ever seen. It was indeed a divine enthusiasm

¹ M. E. C. Walcott, *English Minsters*, II. 15, 19.

² For the tolls levied at Ipswich as the 'custom of the key,' see *Domesday of Ipswich in Black Book of the Admiralty*, II. 185.

³ Introduction, *Inquisitiones Nonarum*.

for humanity which inspired the first Franciscans, who made themselves sharers in all the misery and loathsomeness of mediaeval slums, if by any means they might save some. Among degraded outcasts and perishing lepers the grey friars built their churches¹ and made their homes.

§ 40. The aggregation of masses of the poor in the large cities was partly due to the form in which charity had been bestowed for many ages. The Christian duty of giving to the poor was insisted on by S. Gregory in his first instructions to S. Augustine, and it was again and again put forward by other bishops in their charges to their clergy. At length when the Church was regularly endowed, instead of being dependent on occasional offerings, a definite proportion of the tithes was assigned to the maintenance of the poor.

The administration of this fund² was chiefly in the hands of the clergy of the cathedral church of each diocese. The parish priests were not left without some means of relieving poverty, but the largest doles took place in the cities, and therefore to the cities the destitute flocked.

The social system then in vogue, the manner in which every one was attached to some locality and lost his social status if he left it, and the claim to his services which could be put forward by the local magnate, would effectually prevent any able-bodied man from tramping the country or presenting himself as a recipient for relief. And thus, though the provision for the poor

¹ J. S. Brewer's introduction to the *Monumenta Franciscana*, pp. xvii—xxii.

² We occasionally hear of other funds for the relief of the poor which were not administered by the Clergy at all. Kemble, *op. cit.* II. §10.

at parish, cathedral, and monastic churches was very large, there was no room for the growth of a pauper class in rural districts; or anywhere else than in towns, where the manorial rights and claims could not be enforced.

Though its charity may not have been always beneficial, the influence of the Church was certainly directed to striking a blow at the real cause of pauperism, in so far as it lies in an increase of population, unaccompanied by a corresponding increase of the means of subsistence. The duty of diligent labour was put forward on the one hand; and on the other, the large number of celibate communities—even at times when the marriage of the secular clergy was permitted—cannot have been without marked effects; while the inculcation of continence in married life as a duty to be practised at stated times and an excellence to be constantly aimed at, shewed a practical sense which contrasts favourably with the efforts of modern legislative wisdom¹.

Serfs and
A.D. 681.

emancipa-
tion.

A further difference between town and country in this matter was due to the fact that a road for advance lay open in the country, but was closed to the poor population of towns. The criminal or thriftless man became a serf², but the serf might attain to a position of freedom. From the days when Wilfrid emancipated the serfs at Selsey we find the influence of the Church working in this direction. It was not only that the Sunday and festival rest made the lot of the labourer lighter; but there was a constant pressure exercised in the direction of emancipation. The more usual form of conferring this freedom was a religious service at the altar; and wills³, in the making of which clerical

¹ Mill, *Political Economy*, II. 11, § 4.

² Kemble, *op. cit.*, II.; also Thorpe, *op. cit.*, 152.

³ A section of Mr Thorpe's collection of Charters, &c., is

influence would be strongly felt, often contain general or partial emancipatory clauses. In these times, too, emancipation was a real work of charity, involving as it often did the making of some provision for the freedman to maintain himself. If he was not a serf, whose rations his master had to find, then he must be established in the position of a self-supporting tenant. Unfortunately the large religious foundations did not follow the example of the first bishop of the South Saxons; and perhaps, under a mistaken sense of inability to alienate property that had been dedicated to God, did not, generally speaking, emancipate the serfs on their own estates. Thus it came about that when the time was ripe for a revolution in these social relations, the estates of the Church were those that were least prepared for the new conditions of rural life¹.

From these various points of view we can see that there were ample means everywhere of providing for the destitute poor, while there was little room for the growth of a pauper class in the rural districts, though there were no similar checks in the towns. In them pauperism did increase; nor would this be much checked by the frequent foundations for the relief of the sick poor which we find from an early time.

devoted to manumissions, pp. 621—631. For freedom granted in wills, "let all the men be freed," p. 515; also, 535, 557.

¹ See below, p. 260.

III.

THE STATE AND ITS ECONOMY.

I.

EARLY LEGISLATION.

41. Representation and Legislation. 42. Edward I. and facilities for trade. 43. Aims of Edward III.'s Legislation. 44. Success of Edward III.'s Legislation. 45. Reasonable Wages and Competition. 46. The Rising of the Villains.

*National
feeling.*

§ 41. THE failure of papal interference to secure good government by the king, led to the conviction on the part of the barons and burgesses that they must rely on themselves. The severance from Normandy was producing its natural result, in localising the interests of the two classes, for both became equally concerned in seeing that there should be good government in England, and neither had much interest in the royal schemes of conquest abroad. We see something similar too in the appeal of the clergy to the history of their Church as lending no countenance to the avaricious demands of the Pope: Englishmen were awaking to a consciousness that they were English, and to a desire to be governed in accord-

ance with English interests and English notions of what was right and fair.

The importance of this change cannot be overestimated: there was a time when the baron with estates in England had far more interest in the success of barons' wars abroad, than in urban struggles for good law at home; when the burgess of one town was far more concerned in the trade arrangements of Flemish than of any English town but his own; when the leading ecclesiastics felt themselves members of a great cosmopolitan corporation, and out of sympathy with all the special concerns of the land where they happened to live. But the reign of Henry III., and still more that of Edward I., shews us some steps in the consolidation of these separate classes into a united nation. If the beginning of a true parliament when all these classes were represented was by far the most important result of this new national spirit, there were also most interesting symptoms of its exercise in connexion with economic affairs. We have for the first time what we may call a *political economy*. Hitherto we have had village and manorial economy, or we have seen municipal and market privileges conferred on the burgesses of particular towns; but we are now to see signs of the industry and commerce of the realm being dealt with as one whole.

It is most fortunate too that we possess very complete records in regard to this transition period. When Edward I. returned to England and assumed the reins of government he found that the royal rights had suffered most serious encroachments and that royal lands had been appropriated, to the very severe loss of the crown¹. One of his first acts was to send commissioners

¹ *Annals of Winchester*, 119.

*Hundred
Rolls.*

charged with enquiring into the royal lands and royal rights in each shire¹; an inquisition which was conducted in very much the same way as that of the Conqueror had been. Extracts from the inquisition then made, which have special reference to the usurpation of jurisdiction and other royal rights and possessions, exist for all the counties of England. The *Hundred Rolls* in their full shape unfortunately survive for seven counties only, but they contain a most extraordinary mass of information, very much more detailed than that which is given in the Domesday survey; they afford us a most curious insight into the life of the time, and enable us to estimate the progress of the country since the earlier record. The most striking result of a comparison is the evident increase of population, while the minute descriptions of the towns are very instructive.

*Crown
Rights
1278,*

The king's next step was to make special provision in the Statute of Gloucester for the speedy righting of the wrongs that had been done. Judicial proceedings were to be at once taken in all cases when the men of the hundred did not know by what title (*quo warranto*) some petty oppressor claimed to exercise rights of jurisdiction, or to take tolls and avoid paying them. Edward's reassertion of the claims of the crown was a vindication of the rights of the people. The barons suffered at the hands of the King and the Pope, and they recouped themselves by oppressing their tenants and the traders; so long as the rights of jurisdiction were in their hands, there was no possibility of redress. Very careful too were the enquiries as to oppressions of which the royal officers² or bailiffs might have been guilty, and

¹ For the articles of Inquiry see *Hundred Rolls*, introduction, p. 13.

² The men of almost every hundred in Cambridgeshire complain

doubtless more speedy punishment was meted out to these offenders. The records of the whole proceedings give us a most startling picture of English society at the time when Edward I. was called to rule the realm. Edward set himself steadily to redress the grievances of the poor¹ by staunchly maintaining the rights of the crown. How closely these two were connected may be most clearly seen in the story of the disafforesting dispute, when by a readjustment of boundaries, much of the crown forest was given over to great barons. The nobles gained somewhat at the expense of the crown, and the position of the poorer tenants on land that thus changed hands was so much altered for the worse that their case needed special attention in the *Ordinance of the Forest*², A.D. 1306. by which their rights of pasture and common were restored.

But it is the glory of Edward that he not only set himself to redress the wrongs that had grown up under his father's misrule, or with the connivance of his officers, but also took important steps towards so reconstituting our social system that these grievances should not arise again. The disorder of the realm was very largely due to the immense number of local privileges and special

of Roger of Estræ who, when the bridge had been carried away by a flood, took a tax of 2s. and afterwards of 6d. a hide on pretence he was going to build a stone one; but he only built a wooden one after all. Then the men of the town report he was more than seven weeks in doing it, and all that time provided a barge to ferry them across, for which accommodation he charged an exorbitant fare. These facts were recorded in the extract for immediate royal attention. *Hundred Rolls*, I, 54, 55.

¹ For a picture of these, see the Husbandman's Song (date of Edward I. or II.) in Wright's *Political Songs* (Camden Soc.), p. 149.

² *Statutes of the Realm*, I. p. 147. See also *Greatest of the Legends*, 344.

immunities; vested interests of all sorts stood in the way of enforcing uniform regulations throughout the whole country; while the special jurisdictions and special exemptions seriously affected both the security and the profitableness of internal trade¹. Till this time there had been no sufficient general regulation for the whole realm, and charters promising good government and general protection had been but badly observed; every corporation religious or municipal, and almost every village, had its own special privileges. The men of Cambridge² took tolls from all men coming to their market and fair. The lord of Milton³ claimed immunity from all tolls for his

¹ A curious example of the possible effect of these local jurisdictions is found in the First Statute of Westminster (1275) c. 23. At one time it had been the practice for the burgesses of a town to attempt to recover the debts which a stranger might have incurred among them by impounding the goods of the next stranger who hailed from the same district, and who might therefore be able to recoup himself. This primitive justice was to cease finally in regard to Englishmen: no foreign person (that is, one who was not free of the town he visited) which is of this realm was to be distrained for any debts but his own in any city, burgh, town, market or fair. "Purvue est ensement, que en Cite, Burg, Vile, Feire Marche ne soit nul homme forein, que seit de cest reaume, destreint pur dette, dont il ne seit dettur ou plegge." *Statutes*, I. 33.

² *Hundred Rolls*, II. p. 391.

³ *Ibid.* II. p. 452. This entry is worth notice for purposes of comparison with Domesday. The land was held by John Strange, a knight who had two fees there, but paid certain charges to the Bishop of Ely, who was the tenant in chief. Sir John Strange had the view of Frank pledge and the Assize of bread and beer of old time, and rights of warren within his own land, and claimed as noted above exemption for tolls for himself and his men: "sed nescitur quo warranto." The fishery was worth 20/ as against 650 eels and 12 pence: eels were sold by the stich of 25, but Rogers (*History of Prices*, II. 552 p.) quotes prices varying from 3d. to 1/ the stich, so that it is impossible to say whether the fishery had

tenants, but with no very good authority; and so throughout the whole country, each place had its own privileges; even foreign merchants were provided for, not so much by general regulations, as by special privileges conferred on the 'men of the Emperor' or the traders from a special continental town.

One of the principal matters about which inquisition was made was the right of holding markets and fairs: *Fairs* this, intimately connected as it was with royal taxation, was a right that could only be conferred by royal grant: in many cases however this right had been assumed by those who had bought land on which fairs had usually been held, and who were thus taking tolls from the merchants which should in fairness have gone to the king. Much curious information has been preserved as the

improved or not. But the number of tenants had increased: there were then in all 31 villains—in the wide sense of the word; there were now eighteen free tenants, and fifty-two villains: the value of all their payments amounted to more than £23, so that the annual worth of the estate had doubled or trebled; while the villains owed besides 1874 uncommuted services and paid more than 100 capons and 60 gallons of ale; but the holdings were many of them so small that the tenants must have had industries or worked as labourers besides. Most of the villains paid a rent and some services; the precise kind of service is not stated, but a rough reckoning is kept by stating its money price, and some of the free tenants had only recently commuted all their services, as it is said that they paid so much for their services.

About 730 acres were under cultivation as arable land or gardens. We have no exact means of comparing the stock with that which is enumerated in Domesday: but according to the *Inquisitiones Nonarum* of Edward III. the tithe of the *sheaves, fleeces and lambs* was worth £10. 6. 8: the place had been assessed at £18. 12. 4, but not nearly so much could be obtained: of course these figures do not give us any means of distinguishing arable produce and that from the flock, or instituting a comparison as to the total produce at the two periods.

in Cambridge.

result of this enquiry. In Cambridge there were four annual fairs, one belonging to the Prior of Barnwell, held for four days from the Vigil of S. John the Baptist¹ and now surviving in Midsummer fair, for this he paid a mark of silver; another, which existed in the present century as Garlic fair, belonged to the Prioress and nuns of S. Rhadegund, and lasted for two days from the feast of the Assumption of the Virgin²; a third, belonging to the Master of the Lepers' Hospital³, was held on Holy Cross Vigil and Day, and survives in Stourbridge fair: the fourth belonged to the burgesses and was held on the Rogation Days⁴. By far the greater part of the commerce of the country was carried on at such fairs, and Stourbridge fair was one of the most important in the whole kingdom, rivalling it was said the great fair of Nijni Novgorod as a gathering of world-wide fame⁵.

Representation and Statutes.

Edward did not attack these local privileges, but he rendered them unnecessary by making a serious attempt to provide for the good government of the country as a whole; former monarchs had permitted the men of this town or that to manage the affairs of the place where they lived, but Edward called on his subjects to assist him in making wise statutes for the realm. When the representatives of the people met to provide for the common good of all, there was less need for procuring or perpetuating local immunities and privileges. A similar change

¹ By grant from King John, *Hundred Rolls*, II. 338.

² By grant from King Stephen, *Hundred Rolls*, II. 359.

³ By grant from King John, *Hundred Rolls*, II. 360.

⁴ Secured by various grants. *Hundred Rolls*, II. 391.

⁵ In the eighteenth century, it continued to be a most important mart for all sorts of manufactured goods, as well as for horses, wool and hops. See Daniel de Foe's most interesting account, *Tour* (1724), I. 91.

may be found in the taxation of the country, as till the time of Edward I. each class is taxed on different principles, and to a great extent at different times. One year a tallage was taken from the towns, another an aid was demanded from the barons; while so far as the regular taxes went, exemptions were enjoyed by the holders of lands of ancient domain, and by those to whom immunity from tolls had been granted by any one of the long line of previous kings. By the formation of a parliament where all classes were represented a long step was taken towards the levying of taxes generally throughout the whole kingdom, instead of making special arrangements for each locality and for each class in the community. A comparison of the modes of raising money adopted by Henry III. and Edward III. respectively brings out this contrast clearly¹. Church property was separately dealt with for long, and the great schedule of the ecclesiastical wealth² of the country which had been made for the sake of Pope Nicholas' taxation in 1253, served as the basis of much of Edward's, and was adopted by future monarchs.

§ 42. Almost every one of the statutes which date from the time of Edward I. has some clause or other which has a direct bearing on economical matters. This may perhaps be most clearly seen if we distinguish those enactments which afforded better conditions for commerce, from those of which the object was to bring the

¹ Compare the accounts of each given by Mr Pearson (*op. cit.*, II. p. 208) and Mr Longman (*op. cit.*, II. 278, 281) respectively.

² *Taxatio Ecclesiastica*: Edward received tithes by papal grant during his crusade: in the accounts (*Inquisitiones Nonarum*) of the ninth fleece and lamb which was granted to Edward III. the difference between the amount received and that due according to Pope Nicholas' Valor is always accounted for.

whole resources of the nation more immediately under royal control.

*Royal
control.*

A.D. 1279.
A.D. 1290.

Of the latter kind were the *quo warranto* proceedings, by which the neglected rights of the crown were once more enforced, and the statutes *de viris religiosis* and *quia emptores*¹, by which the further increase of the Church lands to the disadvantage of the crown under colourable pretexts was stopped: only immunities and exemptions, for which a clear case could be made out, were to be permitted; while the area of the lands, the produce of which went to supply the papal taxation, was not to be increased. A still more decided attack was made in 1300 on the English monasteries belonging to foreign orders: the Cluniacs had sent large sums to the chapter abroad, the Cistercians had made their position as branches of a foreign order an excuse for refusing to contribute to royal taxes; but now all these evasions were to come to an end.

*Conditions
of com-
merce.*

A.D. 1285.

Far less sweeping, but not less important, were the statutes which facilitated the conduct of trade. Some enactments were intended to improve the physical conditions of commerce; as, for example, were the clauses in the Statute of Winchester which provided for safety in the towns and while travelling. "And for more Surety of the Country the King hath commanded, that in great towns, being walled, the Gates shall be closed from the Sunsetting until the Sunrising; and that no man do lodge in suburbs nor in any place out of the Town, from nine of the Clock until Day, without his Host will answer for him. * * And further, it is commanded, That Highways leading from one Market Town to another shall be enlarged, whereas Bushes, Woods or Dykes be, so that there be neither Dyke nor Bush, whereby a man may

¹ *Statutes*, I. pp. 51 and 106, also p. 118 (25 Ed. I. c. 36).

lurk to do hurt, within two hundred foot of the one side and two hundred foot on the other side of the way¹."

The first statute of Edward's reign shewed his care for traders, both native and foreign, in another way. Legal effect was given to the old custom that when a ship was stranded, it should not be accounted a wreck, if a man, cat, or dog, escaped alive from it. The cargo was to be kept by the royal bailiff, and those to whom it belonged might have the whole restored to them on laying a claim, within a year and a day; and this was to hold good whether the rights of wreckage belonged to the king or to a subject². *Wrecks.*
A.D. 1275.

There is also a series of enactments dealing with the coinage of the country; in particular a statute entitled *de falsa moneta* was promulgated, with the view of preventing the deterioration of English coinage by the introduction of counterfeit 'sterlings' or of bad foreign coins. Only good silver was to be received, and no good silver was to be sent out: for this purpose an exchange table was established at Dover, and warders were appointed in all other ports to see to the matter; yet a few months later a new enactment was required, as it was found that the English merchants received 'pollards' and 'croquets' as well as sterlings for their goods. It is important to observe that these regulations have direct reference to the subject of coinage: the coins were not treated as objects of value, far less as the sole objects of value. The king seems not to be aiming at increasing the treasure in the country, but only at maintaining the excellence of the English currency. Apparently Edward's regulations were not A.D. 1299.

¹ Statute of Winchester, c. 4, 5. *Statutes*, i. 97.

² First Statute of Westminster, c. 4. *Statutes*, i. p. 28.

³ *Statutes*, i. p. 131, published May 15th, and further enforced by a letter of August 23rd, 1299.

wholly successful, and he felt himself impelled to depreciate the English coinage slightly to bring it more near to the foreign which he could not exclude and which was circulating along with it¹.

Debt.

A.D. 1283.

The statute *de Mercatoribus*² was intended to assist merchants in the recovery of their debts and thus to encourage them to trade in this country. When they supplied goods and the debt was acknowledged before royal officers in specified towns, they could be empowered under the king's seal to distrain for debt in the default of payment. At Acton Burnel this new scheme was determined on, for trial in London, York, and Bristol; and

A.D. 1285.

after two years it was decreed³ that it should be brought into much more extensive operation by giving similar facilities in many other places, especially in fairs, and empowering a much greater number of royal officers to act in the matter. These privileges were not limited to men from particular towns or countries: all foreign merchants could avail themselves of these advantages, unless in time of war with their native land⁴.

¹ Edward III. brought down the standard by issuing coins which were to have a certain international currency. See below, p. 187.

² *Statutes of the Realm*, I. p. 53. Very similar privileges had been given by the town of Ipswich to foreign merchants, and doubtless by other towns with large trade. *Black Book of Admiralty*, II. 115.

³ *Statutum mercatorum*. *Ibid.* I. p. 98: Queen Elizabeth made provision in a charter of 1582 for the carrying out of the Statute of Acton Burnel in Newcastle. Gardiner, *Grievances*, p. 29.

⁴ Omnes mercatores, nisi publice antea prohibiti fuerint, habeant saluum et securum conductum exire de Anglia, et venire in Anglia et morari et ire per Angliam tam per terram quam per aquam, ad emendum et vendendum, sine omnibus tollis malis per antiquas et rectas consuetudines, praeterquam in tempore guerre; et si sint de terra contra nos guerrina, et tales inueniantur in terra nostra in prin-

There are also many enactments of minor interest *Police*. which were mostly affairs of police or attempts to promote fair dealing. Very curious are the *Statuta Civitatis A.D. 1285. Londini* with the regulations for taverns and for securing good order in the town¹. Care is taken that the levying of taxes should not interfere with production: the villain is not to be amerced on his team (*wainagium*), nor the merchant on his merchandise when a tax is levied on moveables²; tenants are not to be distrained till they are heard before justices³. There was some attempt too to protect the general public: those who had the right of taking tolls were not to take excessive tolls⁴; and the craft of goldsmiths, who had special opportunities of gaining at the expense of those who gave them metal to work into vessels or ornaments, was submitted to special legislation enforcing the authority of the wardens of their gild⁵.

cipio guerre attachientur sine dampno corporum vel rerum donec sciatur a nobis vel a capitalio Justiciario nostro quomodo mercatores terrae nostrae tractentur, qui terra inveniantur in terra illa contra nos guerrina, et si nostri salvi sint ibi, alii salvi sint in terra nostra. 25 Ed. I. Magna Carta, c. 30. *Statutes*, I. 117.

¹ *Statutes*, I. p. 100. It was necessary that a known citizen should be responsible for the good behaviour of everyone living in the town, so that everyone might live under the eye of a respectable man who was responsible for his behaviour. On this account it was ordained that no one but a freeman of the city might keep a hostelry or inn.

² Great Charter of Liberties of England. *Statutes*, p. 114, c. 14.

³ *Ibid.* c. 29.

⁴ First Statute of Westminster, c. 31. *Statutes*, I. p. 34.

⁵ 28 Ed. I. c. 24.

Ordene est qe nul Orfeure Dengleterre ne daillours de la seigneurie le Roi ne overe ne face de ci en avant nule manere de vesele de Joiaus, nautre chose dor ne dargent qe ne seit de bon et de verrai alai; Cest assavoir or de certeine tuche, et argent de alay de

*Trade thus
rendered
more free*

*than in
Scotland or*

To criticise such legislation as interfering with the freedom of trade would be to entirely misapprehend the state of the times. Unregulated trade was not to be thought of, as we shall see when we come to consider more closely the nature of the evils provided against, in this legislation and that of Edward III. To substitute for the special customs and privileges of each locality general regulations for the kingdom was a great advance: local immunities created local jealousies, and in later history we see how each town and locality was tempted to demand protection and support against neighbouring communities. Writers who denounce the mistake of protecting English against foreign industry, have forgotten that our country once suffered from the still greater evil of protecting one locality or one market against others in the same shire, and that by substituting general regulations for the bye-laws of each locality, Edward was really freeing trade. The statutes of Edward I. mark the first attempt to deal with industry and trade as a public matter which concerned the whole state, not as the particular affair of the leading men in each separate locality. We have already noted the high development of the Scottish burghs at the commencement of Edward's reign; they never, however, took this most important step, for in the northern kingdom trade was managed

le esterling, ou de meilleur alay solunc la volente de celui a qui les ovres sont ; Et qe nul ne ove pir argent qe moneie, e qe nul manere de vessele de argent ne parte hors des mein as overers, tant qe ell soit assaie par les gardeins du mester e qe ele soit signer de une teste de leopart ; qe nul ne overe pir or qe tuche de Parys ; e qe les gardeins du mestere aillent de shope en shope entre les ouvriers, assaiant qe lor soit tiele come le tuche avant dete, et sil travent nul pir qe la tuche qe loveire soit forfet au Roy, *Statutes of Realm*, I. 140.

not as an affair of state but as the business of traders who met in their own convention and strove to maintain their local privileges and immunities against all rivals. In Germany trade was only in the present century freed from the same sort of disadvantages as those which the first Edward did so much to remove in our own land. *Germany.*

§ 43. Very many of the statutes of Edward II. and Edward III. had some reference either to internal or foreign trade. It is hardly worth while to enumerate the statutes which went on lines precisely similar to those we have already noted, and which dealt with the freedom of foreigners¹, with the coinage of the kingdom², and with the usurped right of trading to the detriment of the king³. We must look at others somewhat closely in order to understand the meaning of the enactments, before we attempt to judge of their character. It is very interesting to notice the signs of legislation which implied definite principles in regard to the management of trade: what strikes us is the anxiety of the authors of these statutes, as compared with modern legislation, that trade should be in the widest sense of the word *well conducted*. *to promote the good conduct of trade.*

The aim of most of the directly commercial legislation was not so much to increase trade, as to see that it

¹ 9 Ed. III. (1.) c. 1. *Statutes*, 1. p. 270.

² 9 Ed. III. (11.) c. 1. 3, *Statutes*, 1. p. 273.

³ One of the most common forms of usurping rights was for the owners of fairs to keep the fair open for more days than they were permitted by their charters; the owner of the fair thus procured more tolls than he had any right to and defrauded the king—or some other proprietor of tolls—on transactions that might have taken place elsewhere. The owner was compelled to proclaim the duration of the fair at its opening (Statute of Northampton, c. 15, *Statutes*, 1. p. 260), and merchants were punished who kept their booths open too long. (5 Ed. III. c. 5, *Statutes*, 1. p. 263.)

*Reasonable
prices,*

*how calcu-
lated.*

A.D. 1330.

Gilds.

was honestly carried on, and many of the statutes were intended to operate in favour of *fair prices*. We habitually speak of prices being determined by competition; but after all competition is only the mechanism by which the price is reached, since the price of most commodities of general demand is closely related to the cost of obtaining the materials, together with the remuneration of the labourer in accordance with the standard of living of his class. There is nothing inherently absurd in attempting to estimate the necessary cost and fair remuneration of producing an ordinary manufactured article, instead of being satisfied to let the price be reached by the higgling of the market; and a great deal may be said in favour of this attempt so long as, owing to the social and physical conditions of a country, competition is necessarily very imperfect¹. In a simple state of society where you have not very many grades of labourers it must have been easier to estimate a fair remuneration than it would be now²: and so we hear of *reasonable wages*, and *reasonable prices*. In regard to the passage between Dover and Calais, there was a statutable limit of what was reasonable—two shillings for a horse and man, sixpence for a man on foot³. So too wines were to be sold at a reasonable rate, after taking account of the cost as imported and the distance they had to be carried to any town from a seaport⁴. The whole system of town-gilds and craft-gilds might be roughly described as a network of organisations for estimating what was reasonable⁵.

¹ On competition and reasonable prices see below, p. 243.

² See however, below, p. 419.

³ 4th Ed. III. c. 8. *Statutes*, I. p. 263.

⁴ *Ibid.* c. 12.

⁵ Compare the Assize of Bread (see Appendix, II.), which

in each department of industry and trade. We might possibly translate the idea into modern economic phraseology by saying that they tried to arrange for each article being sold at the *normal* price, without the variations which may arise from accidental circumstances.

But most of all the authorities desired to discourage speculative trading: the speculative trader obtained profits which were not due to any labour on his part, and this, according to the simple morality of an unenlightened age, was wrong. The gains of these speculators were made apparently at the expense of consumers who would otherwise have been as well served and at lower rates. A mode of dealing which was thus obnoxious to public feeling, while it might lead to an evading of royal or burgh dues, was strongly denounced in many customals and statutes; there was of course most temptation to have recourse to it in regard to commodities which, being natural products, were obtained in different quantities in each year, and for which no regular price could be assigned. Such in particular were corn, wool, and fish; *forestallers* and *engrossers*¹ would make bargains with the country folk and fishermen before they brought their goods to market, and thus buy at an advantage instead of making their purchases

attempts to provide that bread should always be sold at a fair price to the consumer and a sufficient profit to the baker.

¹ Legal definitions of these terms were given in 5 and 6 Ed. VI. 14. Their substance is as follows: *Forestallers* are persons buying Goods or Victuals on their way to a Market or Port; or contracting to buy the same before actually brought for Sale, or endeavouring to enhance the Price or prevent the Supply. *Regrators* are persons buying Corn, Victuals, &c., and reselling them in the same Market Place, or within Four Miles thereof. *Engrossers* are persons buying Corn growing, or buying Corn or Victuals to sell again. *Statutes*, iv. l. p. 148.

fairly in open market. For articles of which the price could only be arranged when the whole quantity supplied was really known, it was considered desirable that the competition should be really free, and that all parties should meet on equal terms; while the engrosser apparently bought at a ruinously low figure from the *producer*, and sold very dear to the *consumer*, thus making a profit at the expense of both.

*Import-
ance and*

Not only did the legislature desire that trade should be honest, but that the traders should be able to pursue their calling safely. This care for traders did not arise from any very precise theory as to the value of trade in itself. Trade was the means by which many subjects lived, and it was the part of a good king to attend to the weal of his people in this as in other respects; but it was also a matter of royal concern because of the customs it yielded, and if there was a large trade, a great deal of revenue could be gathered from tolls. If then any direct intervention of the king's, or any speculations of the king's, seemed likely to bring him a larger immediate gain, he had no scruple in interfering with the general course of trade for such a purpose. For the rest, we can recognise a sort of feeling that the enterprise of merchants was often carried on at a criminal risk, and that for a man to venture through perils of waters and perils of pirates for the sake of mere pecuniary gain was distinctly immoral. It is a little difficult for us to realise the magnitude of those risks: an English trader might be attacked on his way to Flanders by the Calais pirates¹; and if he escaped the actual

*risks of
Trade.*

¹ Compare Chaucer's Merchant,

"He would the see were keepud for eny thinge
Between Middelburgh and Orewelle."—*Prologue*.

dangers of the crossing he might fall a victim to some mob outrages in the town to which he was bound, and for these he could get no redress ; or he might have his goods distrained on account of debts due from some of his compatriots¹. The statutes which were passed in favour of foreigners by the Edwards give us considerable light on the practice of the times in such matters, while the history of the early years of Edward III. shews us a number of embroglios between English traders and the burgesses of foreign towns².

¹ A. tres noble Conseil notre Seignour le Roi monstrent les Comites de Wyrcestre, Salop, Stafford, Hereford, Bristul, et Glouc', que come plusieurs Marchauntz et autres Gentz des ditz Comites travaillent a Caley's ove leur Marchaundies, en profist des ditz Comites et de tout le Roialme ; Queux Marchantz et autres gentz plusieurs foitz sont arestez, ascun foitz pur trespas, ascun foitz pur dettes des autres hommes des ditz Comites : Desqueux trespas et dettes les ditz Marchantz et autres gentz n'ount rien a faire, et plusieurs foitz n'ount conissance de ceux pur queux ils sount arestez. *Rot. Parl.* 11. 352.

² The records of the Scotch Burgh Convention are full of interesting illustrations of these points, two centuries later.

In regard to Piracy, these burghs provided at their own expense : Inlykemaner, that it be proponit to my Loird Regentis Grace and Loirdis foirsaidis, in cais the Quenis Majestie of Ingland will grant and consent that sum of her schippis sall remane upovn her sea coistis and watteris for purging of the samyn of pyratis, and vtheris wicked personis, That inlykwayis it may be grantit be his Grace and Loirdis foirsaidis to the merchantis of this realm, upon their commoun chargis to set furth ane ship with ane bark for purging of our Soueranis watteris of the saidis pyratteis and wicked personis, and for convoying the shippis of this realme langis the cost of Ingland, and vtheris pairtis needfull, from the danger of innemeis, during sic tyme as we sall fynd gude ; and incais the samyn be grantit, the commisariss of the burrowis foirsaidis gevis thair commissioun and full powar to the provestis, baillies and counsaillis of Edinburgh, Dondye, Abirdene and Stervelyng for the said schip and bark to provyde men, meit, munition and all vther furnyngis necessaer thairto, during

*Staple towns**abolished in 1328.*

As the best means of meeting these difficulties, the merchants of mediaeval towns favoured the establishment of staples, where arrangements could be made for the protection of merchandise and of traders, and where justice could be obtained in case of any dispute between travelling merchants and native burgesses. His predecessors had confirmed the arrangements made, probably by the guilds of different towns, for the establishment of staples, as centres for foreign trade; but Edward III. disapproved of this commercial policy and enacted in the Statute of Northampton¹ that "all staples beyond the Sea and on this side should cease," and "that all merchants, aliens or privileged, should come and go with their merchandises into England." This policy of permitting trading intercourse in all parts of the realm,

quhat time they sall think gude. (1574), I. p. 27. See also above, p. 130.

The Scotch burghs also had difficulties about the reception with which their merchants met abroad. The King of France had refused to permit any Scotch ship to traffic with his dominions, "bot of sic as bringis with yame the kings modirreis, or his lieutenentis, writings in their favouris;" so ten or twelve honest merchants were sent at the common expense to France to procure the rescinding of this proclamation. (1570), p. 16. The King of Denmark too would only admit merchants who carried royal letters, while the burghs wished that their shippers should only carry articles under the seal of the port from whence they sailed, and desired that the Regent would write that this order had been taken for "the honestie of the liegis of the realme," and that he thought it sufficient. (1574), p. 27.

Difficulties about the jurisdiction in the case of quarrels between Scotch merchants and the citizens of the towns they visited (p. 59), about the charges made by foreign pilots (p. 58), and about alterations in foreign tariffs (p. 18), also demanded the attention of the Convention and of their representatives abroad.

¹ *Statutes*, I. 259.

had not much success; experience seems to have proved that the encouragement of trading concourses was more favourable to commerce¹, for staples within the realm were re-established by statute. So far as the staples beyond the sea were concerned the Statute of Northampton probably remained a dead letter, and English merchants continued to frequent their accustomed marts in the Low countries. Instead of continuing to discourage the establishment of staples, Edward next took the wise course of endeavouring to issue such regulations that staples might be as far as possible beneficial to the whole realm. In the early part of the reign the English staple was held in different Flemish towns: but in 1353 it was determined to hold the English staple A.D. 1353. within the country, at London, Winchester, York and Norwich, and by every possible means to encourage foreign merchants to come to these towns. All sorts of charters were set aside in their favour: and Englishmen were prohibited from trading beyond the sea, either on their own account or as the partners of foreigners. It was hoped that in this way there might be greater facility for collecting the customs, and less loss of English lives and property in the perils of trading. In the statute by which this was effected we get the most complete account of the objects which the establishment of staple towns was intended to serve. A tribunal² consisting of two Englishmen, two Lombards and two Flemings, was to be a court of arbitration; and two foreigners were to be associated with the English officials in adjudicating on all matters in dispute, not according to Burgh or com-

*Ordinance
of the
Staple.*

*Merchant
tribunals*

¹ See below, p. 185, and note: this policy would also be more convenient for collecting the trade dues.

² Ordinance of the Staple, c. 24. *Statutes*, I. p. 341.

and law. mon law, but according to law merchant¹: and complete arrangements were made for encouraging the merchants of other countries to frequent these marts.

Effects of this policy. Before long, however, it was found, as might have been expected, that these enactments affected the price of wool: the staple was moved to Calais, both for the sake of improving the condition of that town and to "raise the price of wool²:" the estimated price at

A.D. 1363.

¹ *Ibid.* c. 21. This is perhaps the earliest instance of the recognition of merchant law for the realm, though the sanction which had been given to the customs of particular towns must have had a similar result. The maritime code which was generally accepted in English ports and English seas was one published at first by Eleanor of Guienne, under the title of *Rolls of Oleron*. The *Hogeste Water Recht* of Wisby was the law of the sea recognised by the Hanseatic League. See the *Black Book of the Admiralty*.

² Item pour cause que les Leines du Roialme sont mis a petit value, tant pour cause que eles ont amenez hors du dite Roialme en autri Seignurie et Poair ou notre dit Seignour le Roi n'ad Jurisdiction, ne les mesprisions et outrages faitz a les Subgiz poit redrescer, n'amender, come pur soners Eschanges des Monoies et feblesce d'ycelles, et plusieurs autres damages et mischiefs ad este parle et monstre au Conseil notre dit Seignour le Roi plusieurs foitz qui bon serroit mettre remedie: Et que la Ville de Caleys qui est a notre dit Seignour le Roi et en il ad plein Jurisdiction, serroit bon place et lieu convenable pur les Leins et demoer des Marchantz, pur eschuer les meschiefs et damages suisditz et par tant le pris de Leines serront amendez et enhancez: Quels choses notre Seignour le Roi serra plus overtement monstre as ditz Grantz et Communes, d'avoir sur elles leur bon aviz et conseilles. Et outre feust dit que si nul se sente grevez, mette sa Petition en ceo Parliement, et il en avera convenable Respons. *Rot. Parl.* 11. 268.

Armstrong's *Treatise concerning the staple and the commodities of the realm* (1519) is well worth perusing in this connexion, as in regard to all matters connected with rural economy, industry or commerce during the centuries immediately preceding the Reformation. He argues that the removal of the staple to Calais was beneficial to the merchant class but injurious to the general public. p. 20.

Calais would be higher than the estimated price at Norwich, since the expense of transport would have to be taken into account, and the payment of royal customs of so much the sack would appear proportionately less onerous. The price would certainly be low if there was a supply of wool which could not be carried off by the foreign shipping that visited the island, and subjects who traded abroad in wool had no protection under the existing laws.

Since the well-being of the subjects was such a prominent aim in all regulations about trade, we cannot be surprised that the legislature attempted to insist on a wise use of wealth, by regulating consumption. During the first half of Edward's long reign there was a great increase of luxurious living; the vast sums that were squandered in tournaments are perhaps the most striking case in point, but all classes appear to have been affected by an extravagant spirit, which reached its highest pitch in the year immediately succeeding the conquest of Calais¹, for it received a sudden check from the terrible destruction that was caused by the Black Death.

*Legislation
to regulate
consump-
tion.*

A.D. 1347.

A.D. 1348.

Sumptuary laws have been a favourite expedient with many rulers, and Edward tried to put down luxurious living and extravagant dress. "No man shall cause himself to be served in his house or elsewhere at dinner, meal, or supper, or at any other time with more than two courses, and each mess of two sorts of victuals at the utmost, be it of flesh or fish, with the common sorts of pottage, without sauce or any other sort of victuals: and if any man chose to have sauce for his mess he well may, provided it be not made at great cost: and if flesh or fish are to be mixed therein, it shall be of two sorts

A.D. 1336.

¹ W. Longman, *Life and Times of Edward III.*, i. 290 ff.

- only at the utmost, either fish or flesh, and shall stand instead of a mess¹." A later statute regulates the apparel of every class of the community², and there is another which prohibits the extravagance displayed by many people in the wearing of furs; though this last enactment may have been also intended to increase the home demand for woollen cloth³.

*Protection
of resources*

This is the only direction in which we see any signs of protection in the modern sense, and even this is protecting English *resources*, not protecting English *workers*. The English breed of sheep was a valuable one, and the wool regarded as better adapted than any other for making fine cloth; but the English had not sufficient skill in the various crafts, so that the wool went abroad and was manufactured there. Edward endeavoured to introduce skilled foreign weavers⁴, and to prevent the export of English wool and especially of English rams⁵. Nor can we doubt that his policy was successful, and that the great woollen manufactures of England were in their earliest stages much indebted to his fostering care. This was protection, but protection of a type that Mr Mill regarded as justifiable even in the present day⁶.

¹ 10 Ed. III. St. iii. *Statutes*, I. p. 279.

² 37 Ed. III. *Statutes*, I. p. 378. Doubleday (*The True Law of Population*) shews that the artisans must have been extraordinarily well off, if they ever attempted to wear the materials which are here forbidden.

³ 11 Ed. III. c. 4. *Statutes*, I. p. 281.

⁴ *Ibid.* c. 5.

⁵ That this was not unnecessary may be seen from a letter quoted by Eden, from which it appears that King Alfonzo who died in 1350 had imported English sheep into Spain. Compare also 3 Henry VI. c. 2. *Hist. Poor*, I. 88.

⁶ *Political Economy*, v. 10. § 1.

But there is no sign of protection in the sense of *not of* favouring English traders and craftsmen as opposed to *workers.* foreigners. Edward intended to regulate trade for the interest of the consumer, and for the well-being, but never the enrichment, of those engaged in it; and in the interest of the revenue, he interfered with it. With these views he favoured alien merchants, prohibited native shipping, rescinded the privileges of important towns, and encouraged the immigration of skilled workmen. All these steps were wholly inconsistent with modern protectionism, but they seemed wise pieces of commercial policy to Edward and his parliament, since they were intended to favour the consumer at the expense of grasping middlemen, and eventually to increase the royal revenue.

§ 44. It is important to see how far these measures *Success of* were successful. The sumptuary laws were an authorita- *legislation,* tive expression of opinion, but were not probably very *—regard-* effective. The greater part of the laws intended to *ing con-* reduce the gains of middlemen must have had a pre- *sumption,* cisely contrary effect; the great fortune of the de la Poles, and other merchant princes of the time¹, would furnish proof of this, if we could not see on other grounds that it must have been so.

It has been noticed above² that in every bargain one *regarding* party is more anxious than the other to effect the ex- *middlemen.* change, and that the less anxious party is the one who gains most by the exchange: the invention of money did a great deal towards rendering the position of the two parties less unequal; but every statute which put limitations on the times and opportunities for sale,

¹ Macpherson, *Annals*, 1335.

² See above, p. 63.

would increase the anxiety of the more necessitous to conclude their bargains. Those who brought their goods to market and were anxious not to miss the opportunity of replenishing their stores would be very loth to return home with their goods unsold. The middleman who bought to sell was in a far better position for bargaining than the producer of one commodity who sought to sell it and buy another for his use.

One curious case occurs where we can trace these effects most plainly. In 1357 a statute was passed against the hostlers of Yarmouth¹ and others, who made special bargains with the fishermen and forestalled their goods before they were landed or exposed in open market; a price was fixed of 40s. the last, above which no one should buy for the purpose of curing fish; the rate of profit on reselling, and the tolls that might be taken, were carefully defined, and the market was to be held in broad daylight. All these regulations were meant to let the ordinary consumer have a fair chance, and to prevent the middlemen and speculators from having special opportunities of purchase, and so setting an unreasonable price for their own profit. But before four

*Yarmouth
herrings.
A.D. 1357.*

¹ 31 Ed. III. St. iii. The preamble recites the precise grievances. It runs as follows;

Que pour cause que les gentes de Grant Jernemuthe rencontrent les peschours, menantz harang a la dite ville en temps de feyre, et achatent et forstallent le harang, avant qil veigne a la ville: et auxint les hostilliers de mesme la ville qi herbergent les peschours venantex illoeqes ove leur harang, ne veuillent soeffrir les ditz peschours vendre leur harang, ne meller de la vente dicels, einz le vendent a leur volunte demesne, si chez come ils veuillent et donent as peschours ces qe leur plect; pour quoi les peschours se retirent de vente illoeqes et issi est le harang mis a plus grant chierthe qe unques ne fust. *Statutes*, I. p. 353.

years had elapsed it was found that the results were very prejudicial: whatever ill effects accrued from their speculations, the middlemen undoubtedly had been discharging a needed function. A new ordinance was made, which recites in a most interesting manner the arguments for the statute as well as the evils to which it had given rise: the fishermen had great difficulties in personally attending the public market at the times it was open; while also prosecuting their trade, the collecting of the purchase-money from all the retail buyers took up time which they should have spent in fishing, and the fishers were thus prevented from bringing their fish to that port at all. Besides this, while the statute had thus inconvenienced the fishers, it had done little good to the ordinary consumer; for the middlemen and merchants, or others, no longer allowed to forestall, were now ready to outbid, the retail purchaser: and buy up the fish for curing and for transport to distant, or export to foreign markets¹. "Every of them by Malice and Envy increase upon other, and if one proffer Forty Shillings another will proffer Ten Shillings more, and the Third Sixty Shillings, and so every one surmounteth other in the bargain, and such proffers extend to more than the Price of the Herring upon which the Fishers proffered it to sell at the beginning²." All that could be done was to give the right of selling freely to the fishers whenever they came to port, while

¹ That foreigners should be more cheaply served with good English fish, and the price raised to home consumers in consequence, would have been universally regarded as an evil, for which no cheapening of imports could compensate (see below, pp. 237, 297, 312): and Norfolk men would have a certain jealousy towards the inhabitants of London.

² 35 Ed. III. *Statutes*, 1. p. 370.

*Reasonable
prices,*

*why
desirable.*

*Regarding
the staple.*

at the same time a prohibition was put on anyone from interfering with another while he was bargaining, in order to outbid him. These regulations are instructive as giving us a clear light on the meaning of a reasonable price: in trying to explain the possibility of calculating it we laid stress on its being a price that was reasonable to ask, on account of the actual labour expended, but it really had a double meaning. The authorities always meant to fix prices so that no one should pay exorbitantly, and also so that no one should be underpaid for his work. The statute of 1357 was directed against overcharges, the ordinance of 1361 against under-payment of the fisher, by which however the consumer did not profit. It was desirable that prices should be low, so that all might be able to purchase what they wanted; but not so low that the producer would be badly remunerated. That prices could not be kept at this reasonable level by mere legislation is true enough, but it is also true that in accepting free competition as the sole determiner of prices¹, we have not succeeded in solving this difficulty, but only settled down in despair of finding a solution at all.

It is much more difficult to estimate the effects of the ordinance of the staple. We have already seen that Edward appears to have disapproved at first, of forcing traders to frequent particular marts, but that he afterwards took this course as offering fewer evils than the other. Under any circumstances, trade must have suffered from the nature of Edward's relations with foreign powers at different times; and the constant changes² of the staple, in so far as they were dictated

¹ On competition, and reasonable prices, see below, § 54.

² It is to be noticed that the change of staple to Calais in 1363

by the necessities of royal policy, must have been injurious to merchants, though not so injurious as at the present time. All merchants who frequented the market in one town would be able to flock to the market when held in another. It may also be doubted whether the most glaring evil—forcing all trade into one channel—was not justifiable¹ at all events, if not desir-

was only made after special opportunities were given for the expression of public opinion. See above, p. 178, note.

¹ W. Roscher (*Englische Volkswirtschaftslehre*, p. 133) points out *a propos* of the condition of Ireland in the xviii century, that in backward countries where the stream of commerce is too feeble to permeate constantly to all parts of the country, the concentration of trade at certain staple towns or particular fair times is decidedly advantageous for industry and commerce.

The experience of the royal burghs in Scotland led them to adopt a similar course; in fixing their staple at Campfer in 1586 they made the following demands. 1. The confirming of old privileges. 2. Providing a better passage for the entry of ships. 3. To have a berth on the docks where their ships could lade and unlade without disturbance from the fishermen. 4. Protection against extortion on the part of the custom-house officers. 5. All customs to be charged according to an authoritative list. 6. Security against double exaction of the customs. 7. Freedom from 'convoy gilt.' 8. Reasonable charges by artisans and warehousemen. 9. So too by pilots and fishermen. 10. To have premises assigned for their merchants to live. 11. That their conservator should not have soldiers billeted on him. 12. That in all quarrels between Scotchmen and townsmen the conservator should be heard by the court before judgment was given. 13. That in criminal suits among Scotchmen the trial should be conducted by the conservator. 14. That he should have a place assigned him for use as a prison. 15. That they should have a chapel for their own form of preaching and prayers. *Records of Convention*, I. p. 57.

This gives us a picture of the difficulties under which traders laboured: it is not easy to see how they could have been overcome in any other way than by the appointment of staple towns. We know that grave evils existed under the system of staple towns: but

able, in these early times when there was no other means of securing the person and property of the merchants. If the expense of keeping up the officers of the staple was undertaken, there was much to be said for forcing merchants to trade under their cognisance. In modern times a few reckless dealers have caused their countrymen to have a bad name over a wide district of savage lands; there was much to be said not only for providing protection and jurisdiction for English traders at recognised points, but for discouraging irresponsible trading altogether. The constant change of the staple was no proof that the system worked so unsatisfactorily that it ought to be abolished, for many of these were due to political¹ rather than economical reasons.

*Commerce
and Policy.*

At that time, as for many centuries afterwards, all the commerce of the country was regarded as distinctly subordinate to the royal interests: and regulations were made with the avowed object on the face of them, of assisting the king at the expense of the merchants.

*Royal
trading.*

The king obtained a grant of wool, and the export of other wool was forbidden that he might have a monopoly of the foreign market; though it seems that the prohibition was not in force long enough, or that all the profit went to his factors, as very little gain accrued to the king². The injury thus done is to be considered in connexion with

apparently worse evils were felt when the system was not in use (2 Ed. III. c. 9) or it would not have been reintroduced. Though Edward interfered with trade without compunction if it suited his policy (as in regard to wool in 1337), it appears that his positive regulations for the staple towns were dictated with regard to the well-being of the trading class and not merely from fiscal considerations.

¹ The Scotch Burghs in 1574 made arrangements for changing their staple to Calais owing to the disturbed state of the Netherlands, I. 26.

² Longman, *op. cit.* I. 117. On royal trading, see below, p. 306.

the incidence of taxation rather than as a piece of foolish trade regulation. From the point of view of contemporaries, it would appear not so much unjust, as of doubtful wisdom; for the interference with trade would so far reduce the regular customs, that little if any profit might arise from the extraordinary grants. Besides these attempts at speculation there is little in connexion with Edward's taxation that calls for special attention.

Constant difficulty was felt in Edward's reign about the coinage: his foreign wars caused the export of coin¹, *Currency.* so that it came to be exceedingly scarce: the scarcity of *A.D. 1337.* English coin led to the circulation of debased foreign coin, and we find signs of great anxiety to cure these *A.D. 1335.* evils². New money was specially coined to have an international currency³, and the export of good old coins *A.D. 1346.* was forbidden. Merchants might take away⁴ as much *A.D. 1353.* coin as they brought in, though no good English coin; *A.D. 1364.* but fishermen⁵, coming as they did in small boats, with

¹ Under 1337 Holinshed notes, "The King sought by all waies possible how to recover monie, both to supplie his charges for the Scottish wars and also to furnish the other wars which he meant to take in hand against the French King: he got so much into his hands that it was verie scant and hard to come by throughout the whole realme: by reason of which scarsitie and want of monie, or upon some other necessarie cause, vittels and other chaffer and merchandize were exceeding cheape." II. p. 605. When peace was made in 1348 and wealth poured into England, so that most "English maides and matrons were bedecked and trimmed up in French womens jewels and apparel" (Holinshed, II. p. 649), the drain of coinage would cease and prices would be likely to rise: the simultaneous reduction of the size of the coins would of course make these fluctuations more striking.

² 9 Ed. III., Stat. ii. *Stat.* p. 273.

³ Rymer, *Foedera*, III. p. 77. 17 Ed. III. *Stat.* i., p. 299.

⁴ 27 Ed. III., c. 14, p. 338.

⁵ 38 Ed. III., St. i. c. 2. *Statutes*, i. p. 383.

no time to pack a cargo, could not be expected to take anything but money for their wares; while, as comparatively poor men, they were not likely to carry on the export of fine English coins as a trade, in the way that the great merchants were suspected of doing. The exception, however, is sufficient to shew that these regulations of currency were not applications of any theory as to the special valuableness of the precious metals¹. The constant repetition of these statutes proves that the evils against which they were directed did not abate: the king consequently gave up the useless struggle to some extent, by reducing the size and consequently the value of English money, and new coinage was issued of the weight to which the old coins had been rapidly reduced by clipping. The old weight of the penny had been $22\frac{1}{2}$ troy grains: Edward I. reduced it to 22: Edward III. in 1346 brought it down to 20, and again in 1351 to 18. Extraordinary conditions of prices were noted in the earlier part of the reign, and the reduction, together with the importation of foreign spoils and cessation of the drain for war expenses, led to a general rise of prices, which was as usual ascribed to the criminal greed of gain of some class or another. It doubtless gave occasion for some of the commercial legislation considered above, but its most noticeable effect was among the wage-earning classes, who demanded increased wages, and whose demand called forth a series of statutes which require consideration by themselves.

*Rise of
prices in
1348.*

*The Black
Death;*

§ 45. The discontent of the wage-earning classes was brought to a height by a far more terrible occurrence than a sudden rise of prices or a depreciation of the coinage, for in 1348 the Black Death visited Eng-

¹ See below, p. 248.

land¹. The terror which it caused is noticeable in the extraordinary change which was brought about in the artistic representations of death about this time: the horrors of the actual visitation can certainly not be described, nor, for that matter, easily imagined. It has been argued that about half the population of England was swept away by this visitation²: and there was in consequence very great difficulty in obtaining labour to carry on industry either in town or country. This, according to the ideas of the time, was no reason for raising wages. If labourers were scarce, those who could find no one to work for them would have less produce, but that would be all; for they would also have fewer dependents to feed. The fact that the lord of one manor could get no labourers at all, appeared no reason why the lord of another manor should pay the labourers on his estate at a higher rate. If he paid them "a reasonable wage" with which they could get their usual food and clothing by their usual work, that was all they could fairly ask. If the labourers demanded more than the wages that properly supported them, they were merely taking advantage of the destruction caused by the pestilence to extort "unreasonable" wages out of the lords of the manor on account of the necessities of the latter, not of their own deservings: it was as much extortion as was the gain of the money-lender, as immoral as the profits of speculative trading. The righteousness of the labourers' case lay simply in the fact that owing

¹ A good account of the causes, nature, and character of this disease as well as of its moral effects is to be found in Hecker's *Epidemics of the Middle Ages*, pp. 1—66.

² Mr Seebohm in interesting articles on the Black Death (*Fortnightly Review*, II. 149, IV. 87), argues that the population of England was about five millions before the plague.

to the changes of prices and the depreciation of the coinage¹, the old payments were no longer a "reasonable wage;" parliament neglected this fact and legislated against their demands from what was the ordinary point of view in regard to fair dealing².

¹ The causes which led to a rise of prices in 1348 have been noticed above: a contemporary author recognised the connexion between the continued demands of the labourers and the advance of prices which was due to the depreciation of the coinage in 1331. Willelmus de Edyngdone excogitavit et fecit insculpi novam monetam, scilicet grossum et dimidium grossum sed haec erant minoris ponderis quam correspondens summa sterlingorum. Quae res fuit exposit occasio, quod victualia sive mercimonia fuere per totam Angliam magis cara. Operarii vero et artifices ac servientes proinde callidiores et fraudulentiores solito sunt effecti. Thomas of Walsingham. *Hist. Ang.* i. 276.

² As in the case of the legislation for trade, so in regard to these regulations for wages, there is need of a warning against trying to judge about the facts of the time, unless we first attempt to comprehend its ideas: it is difficult to agree with Mr Seeböhm or Mr Rogers in thinking that it was unjust to try to prevent wages from being determined by competition, when the prices of goods were not so determined. Both the proclamation and the subsequent statutes attempt to *regulate prices and wages together, both in town and country districts*, and to go back to the time before 1346, when according to Holinshed, everything was so cheap, and all consumers were so well off. It is one thing to shew that this was an unsuccessful effort, and another to shew that the statute was tyrannous. Had it succeeded in keeping wages at the old rate, while the prices rose to a new rate, it would have been oppressive; but this was not the object—and certainly was not the result of the statute.

The corresponding state of things in France is interesting. A great Ordonnance dealing with all matters of trade and industry was issued in 1350, which contains the following clause (Tit. 52, Art. 23). Nulle personne qui prevue argent pour son salaire pour journée, ou pour ses oeuvres, ou pour marchandise qu'il face de sa main, ou face faire on son hostel pour vendre, et desquels il n'est ordonné en ces présentes ordonnances, ne pourra pour sa journée, salaire, ou deniers, prendre que le tiers plus de ce qu'il prevoit avant

While the plague was actually raging. Parliament could not meet¹, but a proclamation was at once issued by the king with the advice of certain prelates and nobles, of which the preamble states that "many seeing the necessity of masters and great scarcity of servants will not serve unless they get excessive wages," and that consequently the land can be scarcely tilled. Everyone free or villain, who can work and has no other means of livelihood, is not to refuse to do so for anyone who offered the accustomed wages; each lord is to have the preference in hiring the men on his own estate, but none is to have too many men for his work: no labourer is to leave his employment before the specified time: nor to receive more rations or wages than he did in the twentieth year of the king and the common years before that: none are to give or take more wages in town or country,—for the proclamation mentions saddlers, skinners, taylors, smiths, carpenters as well as farm labourers,—subject to definite and severe penalties. After thus insisting on the old terms with respect to wages, the proclamation insists on reasonable prices for victuals and all the necessities of life; and announces a strict penalty against valiant beggars who though able to work preferred to wander about as tramps, while those who gave them support were to be imprisoned: this and a previous

*Statute of
Labourers,
A.D. 1349.*

la mortalité, sur les peins dessus contenus. *Ordonnances des rois de France de la troisième race.* II. p. 377. From Levasseur's account it seems that the chief difficulty in France lay with the guilds of artisans who about this time endeavoured to insist on monopoly rates for all work done by craftsmen. *Classes Ouvrières*, I. p. 396.

In England the disturbance of prices affected all persons who lived on fixed incomes, and appears to have been severely felt by the parish priests, whose demands for increased fees and payments were met by a statute in 1362. 36 Ed. III. c. 8, p. 373.

¹ *Rot. Parl.* II. 225.

clause seem to imply that there was some system organized by the labourers to enforce their demands¹. The next year the same regulations were enacted by a statute², insisting on the accustomed wages for work of various kinds,—mowing, reaping, threshing, of carpenters, masons, plasterers, their servants, tylers, and carriers, as well as shoemakers and other craftsmen,—and at the same time decreeing a limit for the price of corn and other victuals, and insisting on the use of the old measures. Somewhat later³ the fines which arose from the infraction of this statute were assigned to the commons for three years, to assist them in paying the royal tenths and fifteenths which had been granted in the same year. In the year 1360 the penalties were rendered far more severe, as labourers and artificers were no longer to be merely fined but imprisoned without the option of bail; those who broke their agreement and went into another county were to be outlawed, pursued and branded with F “for their falsity;” while towns where runaways were harboured were to be fined ten pounds⁴. In 1363 the prices of poultry were regulated; and clauses were passed fixing the apparel of men and women of different classes, and also insisting on their keeping to one craft and not trying several⁵.

*applied to
all the
wage-earn-
ing class,*

Such are the statutes of Edward III. on this subject: a cursory glance lets us see at once that the difficulty they were meant to meet was not confined to rural districts, or due to the manorial or feudal systems: nothing is said of villains, and agricultural labourers are

¹ Rymer, *Feodera*, III. p. 198.

² 25 Ed. III. St. ii. *Stat.* I. p. 311.

³ 25 Ed. III. *Stat.* VII. p. 325 and 31 Ed. III. *Stat.* I. c. 6.

⁴ 34 Ed. III. cc. 9, 10, 11, p. 366.

⁵ 37 Ed. III. cc. 3, 8—15 and 6, p. 380.

not dealt with otherwise than craftsmen. The chief interest in the matter is that we here find the first definite recognition of a *wage-earning class*, both in country *or labours, in town or country.* and town, composed partly of villains and partly of men who were free from service. We have heard of craftsmen in their craft-gilds, and of various classes of tenants, as well as *servi* on the manors; but the Statutes of *labourers* deal with men who neither held land, nor were free burgesses, having a dwelling and paying the rates of some town. As born on his estates the labourers mostly came under the jurisdiction of some manorial lord, but they may have sprung from different classes,—some may have been *servi*, who worked for wages instead of rations; some the sons of villains, for whom no holding could be found¹, and who thus worked for wages; some may have been villains and boors who spent the time they could spare from cultivating their small holdings in working for hire. This class had certainly existed before, but it is now that they first secured legal recognition. In the statute of 1350 special permission is given to the people of the counties of Stafford, Derby and Lancaster, of Craven, and the marches of Wales and Scotland, to go about seeking for work in time of harvest, as they were wont to do before this time²; they had worked as labourers before, but now this class was for the first time recognised in the statutes of the realm.

In this statute the wage-earning labourer in the *Character of the Statutes.*

¹ As noted above, a comparison of the *Domesday* and *Hundred Rolls* seems to shew an extraordinary subdivision of holdings: a further increase of population would necessarily lead to the existence of a landless class: while villains with small holdings would labour when they could get employment.

² *Rot. Parl.* II. p. 234.

country, and the wage-earning servant of the craftsman, first gets a recognised position. Nor is it obvious that these statutes were at all oppressive according to the ordinary morality of the time: they only tried to keep the labourer to his old rate of pay, and by regulating prices¹ to ensure that the pay should secure the same real reward as before. It is quite likely that in the twentieth year (1346), the effect of the depreciation in that year and in 1344 was not yet apparent in increased prices, owing to the still continued drain for the French war; the parliament sought to put every one in the same position, and make wages and prices the same as they had been in that year. From their point of view it was not unjust to punish any labourers who took advantage of their masters' necessity, nor to punish men who could work but preferred to tramp the country and beg. They simply applied to the labourers the same standard of fair dealing as was applied to bankers and merchants and everyone else.

At the same time, with a depreciated currency, it was impossible to move back to the economic condition of the years preceding 1346: we have already seen that the various statutes for regulating prices and so forth were unsuccessful, and the result was that the wages of labour came to be determined by *competition* rather than by custom. The immediate effect was a great, and, on the whole, a permanent rise in the wages of labourers. Mr Thorold Rogers has collected figures which go to shew that wages rose 40 per cent., while corn rose 19 per cent. during the following half century; so that the labouring class must have been absolutely better off than before the pestilence².

¹ This is the constant feature all through; compare 13 Richard II. St. i. c. 8.

² *Fortnightly Review*, IV. 92.

Undoubtedly they were better off relatively to each of the other classes of the community. With a sudden rise of wages of this kind, the whole social machine was thrown out of gearing. The lords who had employed hired labourers on their domain, and the more wealthy villains who had relied on hired assistance on their holdings, suddenly found themselves in great difficulties, and similar difficulties were obviously felt in the towns. The dearness of hired labour had long-continued effects on industry, for the success of the labourers in carrying their point and securing the determination of wages by competition, rendered it futile to attempt to determine prices by regulation: the phrases "reasonable wages" or "reasonable prices" ceased to have a meaning, when anything came to be reasonable which a man could obtain in open market. It was only gradually, however, that this was recognised: another effect was more immediate and more patent, for the dearness of labour brought about a change in the system of land management which had been in vogue from times long prior to the Norman conquest.

§ 46. The confusion which was caused in rural districts by the demands of the labourers proves that a large part of the agricultural labour had been done by hired labourers; and these would chiefly be employed on domain lands, or by the wealthier tenants. The services of the boors and cotters were not entirely commuted, and in many districts the lord could claim a considerable portion of their time in harvest, and at times of special stress; but the regular weekly services were chiefly commuted for payments, and the greater part of the regular work was done by hired labourers. Under these circumstances the duty of the bailiff must have come to be different from that described by Fleta: he would not

and dearness of labour.

Former rural economy:

occasional services:

labourers.

*Rise of
wages.*

*New
holdings.*

*Tenant or
yeoman
farmers.*

have to see that the services of the villains and their share of the stock were properly rendered, so much as to superintend the hired labourers and pay them their wages, as a modern farmer does: his oversight of the villains would only be in regard to the occasional services. But when labour became suddenly so much dearer (while the price of corn did not rise proportionately), it must have been impossible to make farming with hired labour pay; and if the domain lands were to continue to produce corn at all, it was necessary to adopt some other plan. The natural scheme was to carry out the system of allotting additional holdings, not now to villains who owed service, but to labourers who were willing to pay—not for exemption from service—but for the use of a part of the lord's domain. These labourers were not however such substantial men as to be able to stock the land themselves; besides, the lord would no longer need the stock on his land if he ceased to work it; the lord's stock was used by these new holders on definite terms, till they so far prospered as to be able to purchase the lord's stock, or to stock the land themselves. Professor Thorold Rogers' long study of farming accounts has led him to form the opinion that the transition period lasted about fifty years¹; and that during that time the new holders had land on rent and also used the lord's stock; but that at the end of these fifty years they had so thriven, that they came to own the stock on the land which they farmed by their own labour. Thus a class of yeomen farmers who were independent tenants of the modern type was formed².

¹ *History of Prices*, I. 25.

² Professor Rogers (*op. cit.* and *Fortnightly Review*, III. 196) speaks of this class as analogous to the metayers: but taking his

The rise of the labourer class to a better position, and the terms which the new class of yeoman farmers had secured for themselves, immediately excited the jealousy of those who had been above them in the social scale, but had not risen still higher along with them. The boors and cotters paid labour-dues which may not have fallen far short of the rents of the new farmers, but they were also liable to be called on for occasional services, as for example at harvest time. As labour became dearer these services would be more rigidly exacted for the domains, until the lords abandoned the bailiff system; while the tenant farmers were free from all such obligations. A very general attempt seems to have been made by the villains to dispute the validity of the claim for such services. With the help of counsellors and abettors they procured authoritative extracts from Domesday book, on the strength of which they resisted the claims of their manorial lords to their customary services¹. Others took advantage of the death of bailiffs and other disorganization due to the Black Death to fabricate documents which might impose on the new officials². There is plenty of evidence that the storm had been gathering for some time before it burst; and there is no difficulty in understanding that the position of the villains had become a galling one, not from any change in their own lot, but by the contrast between their condition and that of others. The villains had paid their dues and had in addition rendered

Discontent of villains, at the demand for service,

and attempts at evasion.

own description of their position there was a considerable difference. The essence of the metayer system is that the lord takes the half (or other fixed proportion) of the produce, be it large or small: a tenant paying a stipulated sum, even if he did use the lord's stock, would have the whole risk, not a divided risk as in the true metayer system.

¹ *Rot. Parl.* III. 21.

² *Gesta Abbatum S. Albani* III. p. 328.

occasional service for many years¹, and no evidence has been adduced to support the opinion² that they had ever before been free from these double demands. None the less was the grievance bitterly felt, and the whole right to demand such services, or to hold the position of a manorial lord, was eagerly canvassed. The teaching of Wyklife, or at least of his followers³, did much to

¹ Cases of this kind may be found in very different quarters: Cullum (*Hawsted*, p. 106) quotes from the valuation of a Suffolk Manor taken in 1362. "Thomas Frame holds 1 messuage and xxx acres of arable land and pasture at the yearly rent of xxs. to be paid, by equal portions at Easter and Michaelmas, and at Christmas 1111*d.* called offering silver, besides 1 cock and 11 hens at the same time. And he shall mow the lords meadow 1111 whole days. And all the customary tenants when they mow the lords meadow, shall have one bushell of wheat for bread, and 6*d.* for drink; and one whole days produce of the manor dairy for cheese. And he shall reap 7111 whole days in autumn; and shall have every day a wheaten loaf, xv of which are made of 1 bushell of wheat, and 11 herrings at nine o'clock for dinner."

Very similar was the case of the Kelso tenants at Bowden in Roxburghshire in 1390. "The monks had twenty-eight husbandlands there, each of which paid 6*s.* 8*d.* of money rent; but to this were added considerable services in harvest and sheepshearing, in carrying peats and carting wool, and fetching the abbot's commodities from Berwick. These stipulations are exceedingly precise, fixing even the service, in which the husbandman was to have his food from the abbey, and where he was to maintain himself." Innes, *Scotland in Middle Ages*, p. 139.

In the *Hundred Rolls* we find many instances,—e.g. in Milton referred to above,—where the free tenants pay money which is stated to be in lieu of service, and most probably was a comparatively recent commutation. The precise services due from each villain are not stated, but he is said to owe service worth so much: the stated value however appears to be a concise method of summing up the full details of the precise services due, which were preserved in the manorial records.

² Thorold Rogers, *Fort. Rev.* III. 196.

³ In 2 Henry V. 1. c. 7 the Lollards are represented as nihilists

stimulate these communistic murmurs ; and the glorification of a life of poverty, which was the key-note of the teaching of the friars, gave religious support from a very different side to the outcry against the rich. Such were the elements of jealousy and discontent which prepared for the rising of the villains in 1381.

Political feeling also entered into the matter: the non-success of English arms, when contrasted with the glorious victories of the Black Prince, gave general dissatisfaction, and the imposition of a poll-tax which burdened the labourers and villains, and adult members of their families, as well as the commercial and baronial classes brought the discontent to a head¹. We cannot assign one cause only: generally spoken of as the villains' revolt, it met with active sympathy from other classes as well. Our most complete accounts of it come from S. Alban's; and the copies of charters, and manumissions which the villains drew up and forced the monks to sign, supply most instructive evidence as to their real aims. The story of their proceedings gives us the idea of an organised rising where the leaders had tolerably well-defined objects and succeeded in restraining their followers from wild acts of cruelty such as stained the peasants' risings in France and Germany. They aimed at securing a legal status by the violent means of destroying legal evidence: the proposals which Shakspeare puts in the mouth of Jack Cade are more appropriate to the rising under Tyler and Ball. Whatever the precise causes and occasions may have been, all the indignation was directed against the great landowners, whether clerical who intended to destroy the king, the estates of the realm, all manner of policy and the laws of the land as well as of the Christian faith.

¹ Walsingham, *Hist. Ang.* i. p. 454.

cal or lay; the obligation to use the lord's mill¹ was a cause of special dissatisfaction, and so were the tolls which tenants had to pay at the lord's market. Since the bailiffs demanded the services implied in the manorial domesday books, the agitators tried to burn the muniment rooms², and thus to erase all evidence of their servitude; while they also strengthened their position by extorting

¹ The villains on breaking into S. Alban's abbey at once took possession of the hand-mills which the abbots had confiscated. *Gesta Abbatum S. Albani*, III. pp. 309, 329, 346. This popular feeling gave additional point to the address of Jakke Mylner, where the state is compared to a windmill. Knyghton, 1381. Compare also Sir Walter Scott's description of the Miller of Melrose and his anxieties, in the *Monastery*, c. 13. In 1737 there was much dissatisfaction at Manchester because the millers of Manchester insisted that all the inhabitants should grind at their mills "tho' they were not able to serve half the town." See the epigram in the *Gentleman's Magazine*, 1737 (VII. p. 307).

But the particular grievances that seemed most oppressive differed in different places: at Cambridge the townsmen rose against the University, and first attacked Corpus Christi College, "because that college was endowed with many candle rents, so that a sixth part of the town is said at that time to belong thereunto." Fuller, *Hist. Univ. Camb.* p. 53.

The *Jacquerie* was so purely destructive that it is hardly possible to compare it directly with the English revolt; though both were revolts of villains paying services, both aroused against baronial and knightly oppression, at times when the Monarchy was weak. There is however a very close analogy between the English revolt and that of the German peasants, especially in the desire of both for a political absolutism. See Roscher, *Geschichte der Nat. Oek.* p. 79: and compare the assertions of the English peasants that they were loyal to the king: they certainly did accept his leading. The Russian empire is probably a nearer approximation to their ideal, than exists elsewhere in the world.

² Walsingham, *Hist. Angl.* I. p. 455.

The revolt has thus a family likeness to the great revolution in France. See Maine, *Fortnightly Review*, XXI. N. S. p. 462.

charters of manumission. The endowed clergy whether monastic or secular were often engaged in disputes with the friars and the followers of Wyklife, and both classes furnished recruits who were delighted to join in this attack on their wealthy rivals. So far as they had a positive political programme, it was the establishment of a free peasant proprietary, to be governed by the king as absolute monarch without the intervention of the nobles and knights whom they looked on as their oppressors.

*The friars
and
lollards.*

It has been generally, but too hastily, assumed that the villains were practically successful, and that despite the repressive statutes, and the forcible retraction¹ of the manumissions², the peasants really gained their ends. If the revolution had really been successful on its social side, it is hard to see why it was so inoperative politically: there is incidental evidence of the continuance of serfdom long after the time of the revolt. The tone of Walsingham's writing favours this view; Henry VI. legislated about his villains, or bondsmen, in Wales³; but much more conclusive is the direct evidence of Fitzherbert, who, in the fourth decade of the fifteenth century, laments over the continuance of villainage, as a disgrace to the country⁴. Their own rebellion failed, but the slow agricultural revolution which rendered their services less useful to the manorial lords, gradually set the villains free by removing the interest their masters had in retaining a hold upon them.

*The failure
of the
rising.*

¹ 5 Rich. II. *Stat.* 1. c. 6, also c. 8; and 6 Rich. II. *Stat.* 1. c. 4.
9 R. II. c. 2.

² Rymer, *Foedera*, IV. 126.

³ 25 Henry VI. *Statutes* II. 344.

⁴ *On Surveyinge*. See Appendix I. for the full extract.

II.

SOCIAL GRIEVANCES.

47. Objects and powers of Gilds. 48. Changes in Craft-gilds.
49. Changes in rural economy. 50. Social Disorganisation.

*Local
govern-
ment.*

§ 47. WE have traced the efforts on the part of the legislature to secure and regulate the trade of the country during the last quarter of the thirteenth and the fourteenth century; but there were many important functions which it was not then possible for the central government to perform, and plenty of scope was left for the energy of local authorities. It was the chief care of the various town authorities, as of the legislature, in regulating such matters that trade should be honest and work good.

*Craft
gilds.*

It would appear that the changes which were introduced under the Edwards, and the care which was bestowed on trade by the legislature, increased rather than lightened the duties of the town authorities. The security that was given to foreign merchants would induce them to flock to this country in greater numbers: the regulations in regard to tolls and markets would favour the development of internal trade; and the increase of trade both at home and abroad would react favourably on the production of the country. For the present we may turn our attention to the arrangements that were made in the towns for the due regulation of the increasing numbers of craftsmen, by the growth and recognition of *craft-gilds*.

We have already seen something of the part played by the frith-gilds, and of the power obtained by town-gilds; and we have found traces of the existence of a craft-gild in London, soon after the Norman conquest¹; but it was in the fourteenth and fifteenth centuries that these last societies multiplied most rapidly, and attained to their greatest importance. There were numerous gilds, many of which had no connexion with either industry or trade, but which were an important element in the social and religious life of the burgesses in these days: most of these had been founded during the fourteenth century, and by their very numbers bear witness to the increasing wealth of the townsmen. So numerous were they that it was determined at the Cambridge Parliament, held in 1388, to obtain returns of all the gilds in the country,—their membership, oaths, meetings, property, and if they had any, their charters and privileges². The formation of a gild appears not to

Social and Religious gilds in XIVth century.

The returns.

¹ See above, p. 129 and below p. 205 note.

² The writs will be found in Toulmin Smith's *English Gilds*, pp. 127, 130. While the social and merchant gilds often held property, no return was required as to the property of the craft-gilds, from which we may infer that they were not at this time wealthy bodies. The returns are sometimes made under one writ, sometimes under the other: the great gild of S. John of Beverley of the Hans-house was returned as a craft-gild (p. 150) and its charters are given, but not its property. The smiths of Chesterfield had a gild in regard to which they made returns under the social writ (p. 168). The Gild Merchant of Coventry held lands which gave a considerable annual return which they spent in works of piety, maintaining thirteen men and women who were past their work, and providing a house for the reception of pilgrims and strangers (p. 231). Most unfortunately few returns remain in regard to craft-gilds; and those which do exist throw more light on the management of the gild and its meetings, than on the management of the craft by the gild. It

have required any special permission, but to have been undertaken voluntarily by those who approved of its object¹. In the case of religious gilds, the bishop sometimes added his sanction and approval, as in the case of the gild of the Holy Trinity at Cambridge, which was formed in 1377. Its ordinances received the approbation of the consistorial court of Ely on 1st May, 1384, "according to the course and computation of the English Church²," while special favour was shewn to its members and benefactors. Many of the gilds were formed without royal sanction, though some, like the gild merchant at Coventry, afterwards obtained it.

is however instructive to notice that no hard and fast line can be drawn between the various classes of gilds: craft-gilds had a religious and social side, and the members of religious ones cared for the needs of their brethren. It is however convenient to speak of those gilds which were *publicly recognised authorities* for the regulation of any craft, as craft-gilds.

¹ Compare the Gild of the Lord's Prayer at York. "As to the beginning of the said gild, be it known that once on a time, a play, setting forth the goodness of the Lord's Prayer, was played in the city of York; in which play all manner of vices and sins were held up to scorn, and the virtues were held up to praise. This play met with so much favour that many said—'Would that this play could be kept up in this city, for the health of souls, and for the comfort of the citizens and neighbours.' Hence, the keeping up of that play in times to come, for the health and amendment of the souls as well of the upholders as of the hearers of it, became the whole and sole cause of the beginning and fellowship of the brethren of this brotherhood." *English Gilds*, p. 137.

² *Secundem cursum et computationem ecclesie Anglicane. English Gilds*, p. 161. The national character of the English Church in the fourteenth century and the fact that it was ordinarily distinguished from the Roman Church are too often ignored. The first clause of Magna Carta is noticeable in this connexion: *quod Anglicana ecclesia libera sit, et habeat jura sua integra, et libertates suas illenas.*

In a somewhat similar way, gilds which had been formed for friendly or religious purposes by members of the same¹ craft were sometimes recognised by the town authorities, or by royal charters, and made use of as the best means of regulating a particular craft, in a particular place². *Craft gilds.*

¹ This friendly spirit shews itself in many of the ordinances for the craft, such as those which were intended to prevent competition between the members of the gild, or to prevent one member from enticing away the servant of another.

The craft-gild was something of a friendly society. Members were expected to go shares in specially favourable bargains; as late as 1713 a bye-law insisted that a freeman of the Joiners and Carpenters of Worcester who bought timber, must allow any other freeman to have a share—not exceeding one-third—at cost price. (Brentano, *Gilds*, p. 67.) Besides this many of them were charitable associations and assisted the poor or unfortunate members. The Whitetawyers (or white leather-dressers) ordained, "If by chance any one of the said trade shall fall into poverty, whether through old age, or because he cannot labour or work, and have nothing with which to help himself, he shall have every week from the said box 7d. for his support, if he be a man of good repute. And after his decease, if he have a wife, a woman of good repute, she shall have weekly for her support 7d. from the said box, so long as she shall behave herself well and keep single" (1346). Riley, *Memorials*, p. 232. The friendly side of the ordinances of this craft is particularly prominent: the members were also bound to aid each other in case of a stress of work.

² When Royal Letters patent established rival jurisdictions in the same town, as in the case of Edward IV.'s charter to the Tailors of Exeter, frequent disagreements ensued. In the case of Exeter the Tailors' Gild and town authorities appear to have worked harmoniously when they obtained a parliamentary decision which rendered the Mayor supreme over the Gild by empowering him to suppress it. *English Gilds*, pp. 299—312.

Precisely similar difficulties occurred from similar causes between the Weavers' Gild who were a corporation, paying an annual ferm to the crown, and the City of London. The story is told at some length by Madox, *Firma Burgi*, p. 191.

*Their
formation*

The fullest accounts of craft-gilds come from the city of London, and we can most easily trace there the steps taken in the *formation* of such associations. Sometimes it was necessary to remedy an evil, in regard to which the town authorities felt that they could not act without special knowledge. A complaint was tendered to the Mayor and Aldermen of London¹ that many persons bought "pots of bad metal and then put them on the fire so as to resemble pots that have been used, and are of old brass," to the great deception of the public, "for the moment they are put on the fire and exposed to great heat, they come to nothing and melt." "By which roguery and falsehood the people are deceived, and the trade aforesaid is badly put in slander." The Mayor and Aldermen took the best step for protecting the public from deceit, and the honest craftsmen from slander: they appointed four dealers and four founders in the trade to decide on the right proportions of lead and copper to be used in the trade for the future. This is a typical case of the way in which craft-gilds rose to importance: the regulation of some particular industry was committed by the Mayor and Aldermen of the town, to the most respected men in the craft,

That causes of disagreement would arise is obvious; the wardens of the gild claimed to decide in disputes between purchasers and craftsmen; if a freeman of the gild were not also a burgess of the city he had no right to sell his wares; all these matters render divided jurisdiction a danger, but the town authorities rather favoured the growth of gilds which did not defy their jurisdiction. In the charters granted to craft-gilds by Edward III., the jurisdiction of the Mayor of London is carefully saved. The good men of the Skinners were to make security for bad furs, but the Mayor was to punish. (Riley, *Memorials*, p. 154.) So too the Girdlers, p. 155, and the burning of false blankets, p. 212.

¹ H. T. Riley, *Memorials of London Life*, p. 118.

as they were the people who best could judge of what was serviceable for their customers and reasonable for the producers.

When a gild was thus recognised by the town authorities, as the proper authority for the regulation of one particular craft, pressure was put upon all the persons who worked at that trade within the town, to submit to the control of the gild. What was the use of fixing on the quality of metal that ought to be used, unless some steps were taken to see that metal of this quality was actually used? It came to be the duty of the wardens of each gild to see that the work of the members was really well done; and the townsmen believed it was for their interest to prevent the production of wares by irresponsible craftsmen who were not superintended by the wardens of the craft. In this way each craft-gild obtained a monopoly of the production of a particular set of wares¹; and the gild authorities were the proper arbiters in any dispute between different members, and the most satisfactory assessors in case of any dispute between craftsmen and the public, or between two bodies of craftsmen².

The fact that the gild authorities had complete authority over those who worked at any particular craft in one town, enabled them to enforce the regulations that

¹ Not at first a monopoly in a bad sense; for all who chose to submit to the regulations of the wardens and pay the dues could practise the trade. And the wardens had not always a complete oversight at first; provision was made in the Cutlers' ordinances for those of the trade who do not wish to be judged by the wardens of the trade for the time being. Riley, *Memorials*, p. 218.

² Disputes not infrequently occurred between two different craft-gilds that were both concerned in the manufacture of one article. For instance, the Saddlers and Makers of Bits or Lorrimers (Riley, *Memorials*, p. 156), or the Cordwainers and Cobblers, p. 539.

seemed to offer the best security for honest work. The fundamental principle of the whole system was that each freeman of the gild should work, not for his own private profit, but for the reputation and good of the trade. And this principle had many applications: it led to the condemnation of night-work, as that was likely to be bad work¹; and to a limitation of the number of apprentices that each master employed, so that all might be properly trained during the years which were fixed on as the necessary time for learning to work well.

*and social
influence.*

But the influence of the craft-gild was not confined to the mere performance of work, it affected the members in all the relations of life. The wardens of the craft were the best persons to secure the good behaviour of all for whom they were responsible. Their right of search enabled them to check bad work and the use of bad materials and tools², but it also enabled them to

¹ "In the first place that no one of the trade of the Spurriers shall work longer than from the beginning of the day until curfew rung out at the Church of Saint Sepulchre without Newgate by reason that no man can work so neatly by night as by day. And many persons of the said trade who compass how to practise deception in their work, desire to work by night rather than by day; and then they introduce false iron, and iron that has been cracked, for tin, and also they put gilt on false copper, and cracked. And further, many of the said trade are wandering about all day, without working at all at their trade, and then when they have become drunk and frantic, they take to their work to the annoyance of the sick and of all their neighbourhood, as well by reason of the broils that arise between them and the strange folks that are dwelling among them. And then they blow up their fires so vigorously that their forges begin all at once to blaze to the great peril of themselves, and of all the neighbourhood round." *Memorials*, p. 227. See also the Cutlers' Articles, p. 218.

² "That certain persons of the trade of cutlery shall be chosen by advice of the Mayor and Aldermen and by assent of the cutlers that

exercise an oversight over the respectability of their members. In the very forefront of the gild regulations stand ordinances which have regard to the good behaviour of the members and thus both to the good order of the town and the good reputation of the trade. The craft-gild was not only an organisation by which the town authorities secured honest work of some kind, but also a branch of social police, by which the good behaviour of a certain group of citizens could be seen to¹. Attention has been already called to this matter in connexion with the provision made by a statute of Edward I. for the due superintendence of strangers: each craft-gild became responsible for exercising some control over newcomers to the town who wished to practise their particular trade², and each master craftsman was responsible for the good conduct of his apprentices, since the head of each household was responsible for his family.

§ 48. Such was, in outline, the character of the craft-gilds³ in the fourteenth century; but during that century *Craftsmen.*

so they may search and make assay of all manner of cutlery that they shall find, both in houses and out of houses, as well in the hands of workmen as in the hands of dealers, without sparing any person, rich or poor." Riley, *Memorials*, 218.

¹ This point is treated at some length by Ochenkowsky (*Englands wirthschaft. Entwick.* 63—75), who regards this as the main function, which led to the recognition of craft-gilds by the town authorities.

² "That no alien of another country or foreigner of this country shall follow or use the same trade unless he is enfranchised before the Mayor, Aldermen and Chamberlain, and that by witness and surety of the good folks of the said trade who will undertake for him as to his loyalty and good behaviour." Articles of Spurriers. Riley, *Memorials*, p. 227.

³ Brentano's interesting sketch of craft-gilds in his *History and Development of Gilds*, is coloured by his constant attempts to find analogies between mediaeval gilds and modern trade unions. Several important criticisms and corrections are made by Ochenkowsky

a change was taking place in the larger crafts, which gradually extended to others as well. The craftsmen who formed these guilds were skilled workmen, who had a personal acquaintance with the work to be done,—and not mere employers of labour, they were moreover themselves dealers who sold their wares to the consumers, and could judge of their wishes. The craftsman himself performed the functions which are now discharged by the artisan, the employer, and the shopman¹. As trade extended, however, there was naturally a tendency for one man to devote himself more to one, and another to another of these employments, and we find signs of severance between the members of a craft who were chiefly dealers and those who were chiefly actual workers. This shews itself most clearly in the industries which produced articles of foreign demand, like hides and woollen cloth; but it may also be noticed in the brass-pot trade, to which reference has been made above². The dealer, from his connexion with other markets, was both in a position to procure materials for the workers, and also to dispose of their wares; and thus we have the dealing craftsman assuming a position of greater importance and greater wealth than the working craftsmen. Many of the workers were not householders, but lived as *journeymen*

(*Englands wirtschaftliche Entwicklung*, pp. 51—150). Toulmin Smith's valuable collection of returns (*English Guilds*) throws comparatively little light on the proceedings of craft-gilds: by far the fullest source of information is in the *Liber Custumarum* and other London records. A great deal of the evidence they furnish has been collected in Riley's *Memorials of London* and Herbert's *History of the Livery Companies*.

¹ Not to mention the many other intermediaries which come between the 'hands' and the consumer of some wares in the present day.

² See p. 206.

in the house of a master, who was consequently responsible for the behaviour of all the inmates to the town authorities. The relation of master and journeyman was not that of capitalist and labourer, so much as that of two fellow-workers, one of whom, from his superior status, was responsible to the town for the conduct of both¹. Those workmen too, whose business it was to prepare the materials used by other craftsmen, occupied an inferior position in the social scale. The old system was incompatible with the expansion of industry, and the progress of industry rendered these divisions of labour natural. Every severance of employments, implying as it did a saving of time and saving of skill, gave new facilities for the production of wares, and every extension of the market rendered further divisions possible². But the changes which favoured increased production led directly to differences of grade between guilds, or between men who were members of the same guild.

During the fourteenth century these different classes of craftsmen appear to have worked together very harmoniously on the whole: they settled their differences between themselves, or they struggled together to gain

¹ The gild regulations throw interesting light on the position occupied by men and women workers at the same craft during these times; and indeed on the whole position of women in society then. By far the greater part of the social and religious guilds consisted of equal numbers of brethren and sisters; and the interests of women workers were carefully attended to by craft-gilds. When an effort was made to arrange the social system in accordance with reasonable considerations it was possible for a woman to take her rightful place as a responsible member of society. The advance of modern civilisation and introduction of free competition have so far tended to the depression of the weak, as to bring about the low rates of pay for women's work.

² Compare J. S. Mill, *Political Economy*, 1. 8, § 6.

more favourable terms after the Black Death¹. It is with the steady progress of commerce and increasing superiority of the dealing craftsmen, at the end of the fourteenth and beginning of the fifteenth centuries, that a decided difference of interest begins to appear. The young men (or *yeomen*) of the saddler's trade² had a gild of their own: if this had only existed for social and religious purposes, no exception would apparently have been taken; but they made use of their gatherings to combine to insist on terms which were disadvantageous to the masters. From this time onwards we find traces of interference on the part of the town authorities, and subsequently legislation in the interest of the workers—the journeymen, masters in a small way of business, and members of subordinate crafts. The management of the London craft-gilds came to be more exclusively in the hands of the dealing members, and they were thus transformed from associations of workers who dealt in their own wares, into corporations of traders; especially was this the case with the Twelve Companies which “comprised the chief commercial staple and manufacturing interests of the kingdom³.”

Yeoman gilds: They were partly forced into this position by their competition with foreigners, who took advantage of their trading privileges to plant factories where industry was carried on. This was a practice which the Hanse League everywhere adopted; and there was an obvious unfairness in men, who paid no rates, taking advantage of their commercial privileges to undersell native crafts-

protection of workers.

London Companies;

competition with Hanse League,

¹ Workmen and labourers struck against the wages given by Edward III. for building his palace at Westminster in 1353. Riley, *Mem.*, p. 271.

² Riley, *Memorials*, p. 542.

³ Herbert, *Livery Companies*, I. 37.

men. Even while the craft-gilds were becoming mere trading corporations, they were fighting a battle in which the interests of the workers and the dealers were at one: but those who had borne the brunt of the struggle were tempted to secure for themselves the chief share in the enjoyment of the fruits of victory¹. In accordance with these changes the system on which the affairs of the London craft-gilds were managed was remodelled, and they became much more exclusive than had previously been the case². At the same time their increasing wealth enabled them to claim, and obtain, a more immediate voice in the management of the city³. *and municipal power.*

In no other city were the opportunities for dealing so great, and in none was the change in the craft-gilds so striking as in London; but similar causes were at work in some slight degree all over the country, and in so far as any particular craft-gild was affected by them, it was rendered less fit for securing the reasonable regulation of wages and prices in its own department of industry⁴; because the wardens were no longer in such immediate contact with the actual consumers, and so fully cognisant *Regulation of prices, &c. becoming impracticable.*

¹ The beginning of a hurtful monopoly among the craft-gilds in France may be traced from their bitter struggle against baronial disorder: the kings failed in their attempt to repress this spirit of monopoly. Levasseur, *op. cit.*, I. p. 453.

² Brentano, *Gilds*, p. 85.

³ At first by mere violence as in the appointment of Nicholl Brembre Mayor in 1385. (Herbert, *op. cit.*, p. 38.) Subsequently they obtained more rightful influence (15 Ed. IV.), *ibid.*, p. 107.

⁴ A strong feeling of dissatisfaction against the craft-gilds is expressed in 1437 (*Rot. Parl.*, IV. p. 507) at 'their little reasonable ordinances,' their usurped jurisdiction, and their being confederated for their own single profit and to the common damage of the people. The remedy is sought in their more complete subjection to the justices. Compare Armstrong's *Treatise* (1519), p. 45.

of the conditions of production. More than this, the attempt to regulate prices and wages was breaking down on other grounds. The alterations in the currency, and the great social changes caused by the Black Death, operated together to render it impossible for the legislature to re-enforce the old scale of wages; while the increase of trade rendered it more and more difficult to take in at one view all the conditions of production, and thus to calculate a new, a reasonable rate of wages and a reasonable price for wares. If the development of trade was breaking down the old craft-gild system, it was not less truly altering those social conditions in which the craft-gilds had served a necessary purpose.

*Experience
of gilds
embodied in
legislation.*

And yet the experience which had been gained under their regime was not wholly thrown away: each gild had framed regulations which seemed reasonable for workers and consumers in their own town: and the legislature¹ secured by statute for the whole country what had been proved advantageous in any one part. Each craft-gild deemed it good that the members should work only at one trade, and thus be thoroughly good at his own business; and the legislature took a similar line². Each craft-gild deemed it good that every man should be pro-

¹ Compare the arrangement for the fixing of 'reasonable' wages. The justices were to assemble, "and call unto them such discrete and grave persons . . . as they shall think meete, and conferring together respecting the Plentie or Scarcitie of the tyme, and other circumstances necessary to be considered, shall have authority . . . to limit rates and appoint the wages." § Eliz. 6, 4, § 11. The second, third, and fourth acts of this year form together a great code of industrial regulation for the whole country.

² ¹³ Richard II. Stat. 1, c. 12. Since shoemakers sold leather falsely tanned, no shoemaker was to be a tanner, or tanner a shoemaker. *Statutes*, II. 65, and generally in 37 Ed. III. c. 6. *Statutes*, I. p. 379.

perly trained for his industry during an apprenticeship, and this regulation was rendered universally operative by the Statute of Elizabeth¹. In regard to the Ordinance of the Staple we saw that it was the establishment of a system generally, which had been already tried though with doubtful success, and we now find the legislature everywhere enforcing the regulations which had been proved successful by the experience of the craft-gilds in particular towns, and specially in London².

§ 49. The improved conditions for commerce which were enforced by the legislation of the Edwards brought about a considerable development of trade, and therefore a great change in the industrial life in towns; and during the fourteenth and fifteenth centuries similar causes were working a revolution in the industry of manors as well. It has been already pointed out that a new method of letting holdings of arable land had begun to come into use after the Black Death, though we do not hear much of a general alteration in the condition of the peasant farmers till Tudor times. But during the same centuries in which this was taking place we also find traces of a change in the use made of land; in all probability both alterations were effects of the same cause. The sudden decrease of population and rise of labourers' wages had been the reason for the introduction of tenant farming, and these events also induced manorial lords or their tenants to prefer sheepfarming to any system of tillage that involved the employment of many labourers. From the very beginning of the fifteenth century we find evidence of a great increase of sheepfarming.

In tracing the earlier history of manors we saw that the lords had cut new portions out of the waste land, and we

¹ 5 Eliz. c. 4, sec. 24, 26.

² 5 Eliz. c. 4, sec. 19.

*Enclosure
of waste for
tillage.*

are inclined to regard the whole agricultural progress for some centuries as tending in the direction of bringing larger portions of waste under tillage. In Fleta¹ we find a very curious statement of the nature of common pasture and other common rights, and of the legal steps which must be taken to break up this community by lords who were hampered by their free tenants and retainers so that they were not able to serve their own convenience with the rest of their manors, such as the waste, wood and great pastures. Clauses in the statute of Merton² and in Edward I.'s second statute³ of Westminster are similar in character; and though it is not obvious in what way the land thus secured to the manorial lord's own uses was generally employed, there was certainly a sufficient population for him to let it in new holdings or to have it tilled on his own behalf if he preferred to take this course.

A.D. 1348. After the Black Death this was no longer the case, and we shall be scarcely wrong in fixing on that as the epoch which marks a reversal of the old policy: instead of waste being converted into arable land, we find the beginning of a tendency to turn ploughed fields back into permanent pasture, or at any rate to use the same land alternately for pasture and for crops⁴.

*Decrease of
tillage.*

*Wool very
profitable.*

The facilities which Edward I. gave to foreign merchants would undoubtedly improve the market for wool, and the care which Edward III. and succeeding kings⁵ bestowed on the trade in this staple product was—bane-

¹ Fleta, lib. IV. c. 20.

² c. 4. *Statutes*, I. p. 2.

³ cc. 22, and 46, *Statutes*, I. pp. 83, 94.

⁴ On the precise character of this convertible husbandry see below.

⁵ For an account of the regulations on this subject compare the excellent *Memoirs of Wool*, compiled by J. Smith.

ful as it might at first sight appear to modern economists—in all probability a favourable influence. Under these circumstances the growing of wool became more and more profitable, and we cannot be surprised at finding unimpeachable evidence of extraordinary prosperity in rural districts during the fifteenth century.

The direct evidence on this point is very interesting. Sir John Fortescue, the Lord Chancellor of Henry VI., while descanting on the existence of trial by jury in England and not in other lands, accounts for the difference thus in his dialogue on the *Laws of England* between the Prince and the Chancellor: "England is a country *Fortescue* so fertile, that comparing it acre for acre, it gives place to no one other country: it almost produces things spontaneously without man's labour or toil. The fields, the plains, groves, woodlands, all sorts of lands, spring and prosper there so quick, they are so luxuriant that even uncultivated spots of land often bring in more profit to the occupant than those which are manured and tilled: though those too are very fruitful in plentiful crops of corn. The feeding lands are likewise enclosed with *on sheep-* hedgerows and ditches, planted with trees, which fence *farming* the herds and flocks from bleak winds and sultry heats, and are for the most part so well watered that they do not want the attendance of the hind either day or night. There are neither wolves, bears, nor lions in England: the sheep lie out a nights without their shepherds, penned up in folds, and the lands are improving at the same time: whence it comes to pass that the inhabitants are seldom fatigued with hard labour, they lead a life more spiritual and refined: so did the patriarchs of old who chose rather to keep flocks and herds, than to disturb their peace of mind with the more laborious employments of tillage and the like...England is so thick-

spread and filled with rich and landed men that there is scarce a small village in which you may not find a knight, an esquire or some substantial householder, commonly called a Frankleyne, all men of considerable estates: there are others who are called Freeholders, and many Yeomen of estates sufficient to make substantial jury, within the description before observed. There are several of those Yeomen in England who are able to dispend by the year, a hundred pounds and more... Other countries, my Prince, are not in such a happy situation, are not so well stored with inhabitants. Though there be in other parts of the world persons of rank and distinction, men of great estates and possessions, yet they are not so frequent and so near situated one to another as in England: there is nowhere else so great a number of land owners: in a whole town in any other country you can scarce find a man of sufficiency enough to be put upon a jury: for except in large cities and so-called towns, there are very few besides the nobility, who are possessors of estates or immovable goods to any considerable value. The nobility do not keep in their hands any scope of feeding lands: it does not comport with their rank and quality to cultivate vineyards or put their hands to the plough, and yet the main of their possessions consists in vineyards and arable lands except some fine meadow grounds, which lie along the great rivers, and the woodlands, the pasture of which is in common to their tenants and neighbours¹."

*as source of
land-
owners'
wealth.*

*Incidental
confirmations:*

We know enough of the state of society from other sources to confirm the accuracy of the main outlines of the picture here drawn. One indirect proof of the wealth of landed proprietors in the fifteenth century is to

¹ *Sir John Fortescue and his descendants*, by Ld. Clermont, 1. p. 413.

be found in their lavish expenditure in maintaining crowds of retainers. This was certainly no new practice, *retainers:* for it was a grievance to the peasant farmer in the time of Edward I.¹; but it comes more prominently before us at this time, for it attracted the attention of the legislature², and found a reflection in the ambitious displays of the gilds, when the members, clad in livery, went together in procession. The retainers had in some cases been gathered with a view of obtaining their service in war; and occasionally, as at the time of the villains' revolt, or under fear of invasion, permission was given to have them under arms. However this may have been, they certainly were a disturbing element in times of peace³. The retainers of rival houses were not unlikely to quarrel as to the precedence and dignity of their respective masters, and in some cases they were little better than freebooters, disregarding the king's peace.

We have indirect evidence from two different sides that the wealth of the landed proprietors, which was squandered in this extravagance, was derived from the growing of wool, rather than from tillage. In the reign of Henry VI. it was apparently a common jest with *common* foreigners to associate the decline of naval power and *repute:* the progress of sheepfarming; and this must therefore have assumed such proportions as to attract general

¹ See the Song against the Retinues of Great People in Wright's *Political Songs* (Camden Society), p. 237.

² The preamble of 13 R. II. Stat. iii. complains of the maintaining and embracing of quarrels, in which many were encouraged because they were of the retinue of lords and had their robes and liveries. *Statutes*, II. p. 75, and statutes of every reign till Henry VII. practically suppressed the system.

³ Licence was required by the Bishop of Durham before he could venture to quarter his retainers at Stratford-atte-Bowe, while attending Parliament or the Council. Rymer, *Fœdera*, IV. 143.

*decay of
tillage.*

attention¹. On the other hand, numerous statutes testify to the decrease of the population in agricultural districts. One statute after another was passed to prevent the peasantry from flocking to the towns², or sending their children to be apprenticed there³: while the exportation of corn was permitted⁴,—first with a licence, and then without licence when the price was low⁵,—and importation was forbidden till it reached 6s. 8d. the quarter⁶, in the hope of rendering arable land more profitable.

¹ Cachinnant de nobis inimici, et dicunt, "Tollite navem de pretiosa moneta vestra, et imprimate ovem, vecordiam vestram in hoc arguentes." Capgrave *de illustribus Henricis*, p. 135.

Another author wrote some few years before,

Wher ben our shippes, wher ben our swerdes become?
Our enmyes bid for the ship set a sheep.

From the *Libell of English policie* vv. 36, 37, printed in the *Political Songs* in the Master of the Rolls Series, vol. 1. This most interesting tract should be compared with Sir John Fortescue's *Comodytes of England*, written before 1451 but only recently printed. After mentioning the (1) rivers and (2) harbours, which gave all parts of the land the advantage of trade (Ely is mentioned among them), he enumerates "The third comodyte of this land ys that the grounde thereof is soo good and commodious to the shepe, that beure soo goode woll, and ys soo plentyous thereof that all the merchands of two londs may not by that one merchandyz. The fourth comodyte that the comones have with in hem ys wollyn clothe redy made at all tymys to serve the merchaunts of any two kingdomys Chrystenye or hethynnye." *Sir John Fortescue*, i. p. 551.

² 1 Rich. II. c. 6. 9 R. II. c. 2. Also 4 Henry VII. c. 19 and other statutes quoted in 5 El. c. 2.

³ 12 R. II. c. 5.

⁴ 17 R. II. c. 7.

⁵ "Forasmuch as it was ordained that no man might carry nor bring Corn out of the realm of England without the king's Licence, for cause whereof, farmers and other men which use manurement of their land may not sell their Corn but of a bare price, to the great damage of the Realm." 15 Henry VI. c. 2.

⁶ "Whereas the Labourers and Occupiers of Husbandry within

That the decline of tillage was not really due to the labourers' desire to change their condition, but that this desire was in many cases an effect of the introduction of sheepfarming and the consequent diminution of employment, there can be little doubt. But we have evidence that an agricultural revolution was slowly and constantly taking place; that the area of land under tillage was decreasing, and the production of wool increasing as rapidly.

While this new system of using the land was slowly extending over a wider area of the country, very great social changes followed in its wake. The manorial group, as an industrial factor, was gradually¹ broken up and destroyed. There was no longer arable land on the lord's domain for the villains to till; and the exaction of their services fell into disuse: nor did the lord feel a responsibility for maintaining those from whom no such duties were exacted. The difficulty of obtaining labour became greater and greater, for villains continued to escape to towns, or eluded the rendering of service on various pretexts: while the frequent confirmations of the Statute of Labourers shew that the wages difficulty had not been successfully adjusted. Along with this social disorganisation there rose a fear that the defence of the realm might be a matter of difficulty, when the number of able-bodied men on each manor was so much smaller than before.

§ 50. While then we may think of the end of the

*Disorgani-
sation of
Society,*

this Realm be daily grievously endamaged by bringing of Corn out of other lands and parts into this Realm when Corn of the growing of this Realm is at a low price, &c." 3 Ed. IV. c. 2.

¹ Portescue writes as if the new system was practically universal: Fitzherbert's *Surveying* shews us that the manorial system and villainage were by no means extinct in 1539. See below Appendix I. and p. 221.

*through the
influence
of trade*

*and the
specialisa-
tion of
industry.*

fourteenth and greater part of the fifteenth century as a time of great prosperity and rapidly increasing wealth both in town and country, we must also feel that it was a time not perhaps so much of disorder as of disorganization; the old organization of the manors was passing away, and so too was the effectiveness of the organization of the craft-gilds. It was noticed above that trade was the solvent which destroyed the collective economy of the village communities, and in much the same way the increasing trade was breaking down the industrial organisation of mediaeval England both in town and country. The excellence of the craft-gild organization lay in the direct contact of its authorities with the workers and with the consumers: but when Englishmen manufactured on a large scale and for distant markets, the system did not answer the same purpose, and eventually ceased to answer any useful purpose at all. Trade had become too extensive to be manageable on the old plan, and the attempt to manage it at all fell into disrepute. So too the manors throughout the country devoted themselves to the production of the most paying article: the specialisation of industry between town and country went on with extraordinary rapidity. The lord of the manor ceased to have serfs whom he could employ in simple manufactures on his own estate: rural manufactures decayed¹ as wealth increased: the rural population flocked to the towns, and there the gild organization was not long in a condition to supervise them efficiently. For it must be remembered that the disorganization of the industrial system of the middle ages meant the destruction of the social police in town and country: as the new regime came in, the responsibility of the lords

¹ Though they did not die out till very much later than the fifteenth century. See below, p. 398.

of the manor and of the wardens of the gild was less effective as a social influence for good; social disorder followed in the wake of industrial disorganization. The rural districts were disturbed by vagrants: labourers in town and country alike were breaking their contracts¹; their combinations, whether their demands were just or not, were a disturbing element that had not affected society at large in the best days of the craft-gilds.

Nor could reliance be placed on the power of the Church to rectify the disorder of the times: in trying to suppress the Wyklifites and the socialism which some of them preached, she had seemed to ally herself with the rich against the poor, and had greatly lost her popular influence. The complaints of the Commons shew how much this had happened in respect to the very matters in which we have traced the effects of Church teaching: more than once the Commons complained of the doings of usurers, and each time King Richard expressed in reply his regret that the courts Christian had so declined in influence that they could no longer suppress it²: at length the task was undertaken with no great success by the state³.

Another economical duty which had been chiefly in the hands of the clergy was the relief of the poor: the earlier Statutes of Labourers had made provision for the punishing of the vagrant poor⁴, but it afterwards appeared that there was a tendency to neglect the claims of the

¹ 23 Ed. III. c. 2.

² *Rot. Parl.* III. 142.

³ 3 Henry VII. c. 5, 11 Henry VII. c. 8.

⁴ We do not hear so much of vagrancy during the fifteenth century: it seems not impossible that large numbers found employment in the retinues, though the enclosures left an increasing number idle.

impotent poor. It marked the greatest breach between the clergy and the masses of the nation when the English Church was found to be heedless as to the deserving poor, and relief had to be arranged for if not provided by the state¹.

*The power
of the
Crown.*

While the various institutions of the middle ages were thus falling into decay, when the statutes passed in parliament had proved insufficient to cure the evils of the day, there was only one quarter to which men could look for the establishment of a really strong government that could repress the general disorder of which all good citizens were weary. It was to the Crown that the peasants had turned for help against their oppressors: it was from the Crown that the Church sought for aid in ruthlessly suppressing the "nihilists" of the day: it was to the Crown that the propertied classes looked for the maintenance of their privileges. The wars of the Roses had so far weakened the rival power of the nobility that an opportunity was given to the Tudor kings to occupy a position of secure command, in which they were able to make an unfettered use of their abilities and guide the English people through a time not only of social reconstruction but of constant danger from foreign foes.

¹ The state insisted that their claims should not be forgotten when benefices were appropriated. 15 R. II. c. 6.

III.

COMMERCE AND POLICY.

51. The Risks of Trading. 52. The Sovereignty of the Sea.
53. Foreign Competition.

§ 51. WHILE urban and rural industry were develop- *Risks of trading.*
ing thus rapidly, a decided improvement is noticeable in
the conditions under which foreign trade was carried on.
Indeed in the beginning of the fourteenth century the
merchant was exposed to such terrible risks that it seems
surprising that any one was found to run them, even on
the chance of very large gain if his venture proved suc-
cessful. Something of all this has been hinted at in
connexion with the Ordinance of the Staple and the
policy of the Scotch Burghs, but a matter of so much
importance demands closer attention.

That commerce would suffer greatly during a time of
war was only to be expected, but matters were little
better during peace, owing to the continued practice of *even in time of peace.*
piracy: in many cases the line between trading on one's
own account and preying on the trade of others was in
all probability not clearly drawn¹. When English mer-
chants settled in France had their wines taken by
Flemish pirates, there seemed to be no unfairness in
asking for letters of reprisal against Flemish merchants in A.D. 1320.

¹ Compare the demand noted above that Scotch merchants
should have licences before they were admitted to deal in France
(p. 176, note), and the well-known practice of Elizabethan adven-
turers.

- England¹; and when a Norwich citizen lost his goods through the depredations of Norwegian pirates, he got limited permission for reprisal against Norwegian merchants in Lynn and Yarmouth². The injurious effect on the honest trader of this granting of letters of reprisal can hardly be exaggerated, as the prospect of recovering the loss from a fellow-subject must have been small: but it must have been an even more hopeless matter to find your goods taken on account of a debt incurred by the king to some foreigner: yet this was the fate of an unhappy merchant of York, who lost £109 worth of wool, which was taken by a Flemish noble on account of a debt due from Edward III.³ That the fear of reprisal acted as a deterrent to keep men from trading need scarcely be pointed out. The merchants of the Abbot of Fécamp were threatened with being held liable for some losses incurred at the hands of their masters, and not unnaturally absented themselves from England⁴;

¹ *Rot. Parl.* i. 379.

² *Rot. Parl.* i. 200.

³ *Rot. Parl.* ii. 353.

⁴ To the petition of John de Barton, and his fellowes English Merchants, shewing, That whereas they were within the jurisdiction of the Abbot of Fiscamp with a certain ship, laden with diverse Merchandize, the said Abbot and his Men entered the said Ship, and the goods and chattels &c. to the losse of cc li. which summe is found in the Chancery for which hee should make restitution; who obeyed not; of whom our Lord the King is certified in his Chancery: whereof hee comanded sundry Sheriffes by his writs to levie to the value of the foresaid goods of the Merchants of the foresaid Abbot coming into England, which Merchants have absented themselves from England. Wherefore they pray that it would please the King to grant a Writt of the said Exchequer to bee made against the said Abbot of his goods and chattels, lands and tenements, which he hath in England.

It is answered, Let the Petition be delivered in Chancery, and let the petitioners come thither, &c. And if the Abbot be found

and at different times within the fourteenth and fifteenth centuries this sort of licensed private warfare was threatened or carried on between some English merchants and people of Norway, Prussia, Flanders, Scotland, Spain and Genoa¹. If it was the only way of putting pressure on foreigners to look after the piratical and dishonest tendencies of some of their subjects, it was a method that must have been ruinously costly to traders.

The existence of nests of pirates who made no *Piracy*. pretence of trading, and plundered the vessels of various nations with strict impartiality, was another source of danger: the coast of Norway and of Frisia still afforded shelter to considerable bands of sea-robbers²: the narrow seas and the channel were ravaged by the men of Brittany³, and at one time the Isle of Wight was practically in the possession of a certain John of Newport, A.D. 1450. who added piracy to his other crimes: "for he and hus hath do so meny gret offencis in the See aboute the Ilond, in morthering the kingis people and hus frendis, castyng them owte of har vessellis into the See as thei have bo comyng to the port of Hampton, bi the which the kinggis Costumes of his port of Suthampton hath be lost, bi his riot kept uppon the See, of v or vi M.

a trespasser or maynteyner or that the goods came to his profit then let execution bee done. *Rot. Parl.* II. 439.

¹ It must not of course be supposed that English traders were less guilty in this matter than other people. See below, p. 240, on the damage done to the Hanse League.

² The Frisian pirates were finally exterminated by the Hanse League.

³ And of this Britayn, who so trouth beleves,
Ar the grettest rovers and grettest theves
That hev ben on the Sea many oon yere.

Libell of Eng. Policye, v. 158.

mark in a yer¹." We also hear of "Rovers of the Sea²," who were the outlaws of various nations, and were not apparently under even the nominal jurisdiction of any potentate.

*The coast
undefended
by*

It would have been bad enough if these rovers had only plundered vessels on the high seas, but they were so numerous and daring as to keep the inhabitants of the coasts, and even of considerable towns, in constant alarm. Frequent complaints were heard from Cornwall³, from Kent⁴, from the Isle of Wight⁵, from Scarborough⁶, from Rye⁷, which give us a terrible picture of the unprotectedness of the English coasts, during a threatened war with France; nor do things seem to have been much better even in time of peace.

A.D. 1378.

*English
shipping.*

The risk of loss from piracy had been one of the reasons assigned for holding the staple in England rather than abroad; that arrangement and the whole policy of Edward III. had resulted in a decline of English shipping. This was partly due to his having requisitioned merchant ships for his naval expeditions⁸; and

A.D. 1372.

¹ *Rot. Parl.* v. 205.

² *Rot. Parl.* III. 42.

³ *Ibid.* 47.

⁴ *Ibid.* 70.

⁵ *Rot. Parl.* IV. 350, 376.

⁶ *Ibid.* 46.

⁷ *Ibid.* 63.

⁸ Item prie la Commune, qe come les Marchantz et Mariners d'Engleterre qe xx aunz passez et toutdiz a devant la Navie de dit Roialme estoit en touz Portz et bones Villes sur Mier et sur Ryvers si noble et si pleintinouse, qe touz lés pays tenoient et appelloient notre avan dit Seignour le Roi de la Mier, et lui et tout son pays dotoient le plus par mier et par terre par cause de la dite Navie: Et ove il est ensi desencresceez et anientyz par diverses causes qe a poy yl i a demure suffisientis a defendre la dite pays, si grant mestier estoit, encontre Roial Poiar y fuisse a grant perille communement de tout la Roialme, lesqueux causes, serroit trop longe des touz escrire. Mes une cause est principale, la longe Arrest

partly to ships having escheated to the Crown in consequence of deaths¹; and partly owing to the favour shewn to foreigners, and the discouragement of English shipping. This decline was a matter of frequent complaint, and the exposed state of the coast was one result of this policy.

Richard II. was not able to devise any satisfactory remedy. Money was raised from the traders throughout the country, and used under the direction of the Lord Mayor of London and the merchants of different counties²: the duties of the admirals were better defined³, but all seemed of little avail. The people of Scarborough fitted out two ships for their own defence but were too poor to maintain them unaided⁴. Other towns and merchants⁵ were allowed to rely on their own resources, and Henry IV. encouraged the merchants to organize the defence of the realm for themselves⁶. The failure of this plan probably forced the king to undertake the reorganization of the Admiralty, *The Admiralty*. so that the management of the fleet in time of war, and the cognisance of offences against the Law of the Sea, might be seen to more thoroughly⁷. But it was not till

que souvent ad este fait sur les Niefs en temps de Guerre: c'est assavoir, par un quarter d'an ou pluis avant q'ils passent hors de leur Portz sanz rien prendre pur les gages de leur Mariners durant cell temps, ou les Seignours des Niefs rien prendre de guerdon per les Apparailementz de leur Niefs et Custages. Dount ils priont, en covre de charite, convenable remede. *Roll Parl.* II. 311.

¹ *Rot. Parl.* III. 94.

² *Rot. Parl.* III. 63.

³ *Rot. Parl.* III. 138.

⁴ *Rot. Parl.* III. 162.

⁵ Rymer, *Feodera*. Original Edition, VII. 542, VIII. 325.

⁶ *Rot. Parl.* III. 570.

⁷ The oldest existing manuscript of the documents contained in the *Black Book of the Admiralty* dates from about this time: the contents of the book, among which are the Laws of Oleron, and

the reign of Henry V. that the coasts were kept free from attack, while merchant ships had safer convoy, because he was the first king who had a sufficient navy¹ afloat to make his power effective, and give a real meaning to the old claim of English kings to the sovereignty of the sea.

*Power and
Commerce.*

§ 52. We have already seen something of the close

regulations for his fleet made by Edward III., are of course much older. Twiss, *Black Book of the Admiralty*, I. p. xxxv.

¹ Henry IV. had some small barges (Rymer, *Foedera*, IV. 28), but there was no regular navy. He had to arrest ships for conveying the justiciary to Ireland, at Liverpool, Chester, Beaumaris and Conway (*Foedera*, IV. 69), as well as for the transport of troops from Southampton. IV. 73, 82, 84.

Henry V. on the other hand had in 1417 a fleet consisting of six large vessels, seven barges and ten balingers. (Nicolas, *Privy Council*, II. 202.) Under Henry VI. the king was again unable to assist the merchants, more than by allowing them to organize the defence of the realm themselves. *Rot. Parl.* V. 59.

A good deal of interesting information on the state of the arts in England is to be found in the accounts of Henry V.'s preparations for his French campaigns.

We have a great gathering of craftsmen to wait for the king: tents (Rymer, *Foedera*, IX. 200), bows (224), carts (248), horse shoes and nails (250), arrows (436), guns (542), are all to be provided. Ships were to be hired in Holland and Zealand (215), and impressed from English ports: seamen were to be got to man them: carpenters and masons, presumably for making engines of attack (261), and surgeons (252 and 363), were to accompany the expedition: while bacon (437) and all sorts of other victuals were to be provided (224). For ready money he seems to have had recourse to pawning the crown jewels (284), and to trying to raise loans, though without much success (499 and 814). The regulations made for the good government of Normandy, providing for uniform weights and measures, and coinage (798), the repression of unfair dealing by soldiers and merchants (728, 795), and confirmation of former possessions and privileges, shew a real effort to govern the conquered country well.

relation between political power and commerce: when considering the influence of the Norman kings, we noticed that the new political connexions into which England was then drawn favoured the development of her trade. At the end of the fourteenth century the relation between the two was becoming clear to the men of the time. Edward III. legislated for trade as a thing that interested his subjects, and brought him in a portion of his revenue; but in the legislation of succeeding reigns, we find trade and industry regarded, and regulations for them proposed, not so much for their own sake as with the view of thereby developing the naval and military power of the country.

It certainly appeared that an ill-regulated trade might *Treasure*. injure the power of the country—and the chief fear was that coin should be drawn away, or the royal treasure brought low: the coinage was now somewhat diminished in value, and it does not appear to have been merely in the interest of the currency that the severe legislation of Richard II., against exporting gold or silver without a licence, was passed¹. Attempts were also made to A.D. 1381. compel merchants to expend the half, and later the whole² of the money they made by the sale of foreign goods in this country, in the purchase of commodities, so that the bullion might not be taken away. An attempt was also made to have the papal taxes remitted A.D. 1390. in bills of exchange, which could then be settled by the

¹ § Richard II. c. 2. Licences were granted for many different reasons. The papal legate was allowed to have £4000 exported in 1377 (Rymer, *Foedera*, iv. 16), and the Chancellor of Portugal to take out gold in 1382 (Rymer, iv. 149). Thomas of Norfolk when leaving the country did the same (Rymer, *Foedera*, original, viii. 47).

² 14 Richard II. c. 1.

³ 4 Henry IV. c. 15.

export of goods, without the actual transference of bullion¹.

Military Force.

One curious regulation shews an anxiety to use trade as a help to keeping up the effective force of the country; for it was ordained that with every ton of goods four bowstaves should be imported². The alleged decay of husbandry seemed to indicate a decrease of fighting power, but it was also said that those who did live by tillage were no longer so well prepared to take the field. It was accordingly "ordained" that servants and labourers shall have bows and arrows, and use the same, the Sundays and holydays, and leave all playing at tennis or football and other games called coits, dice, casting of the stone, nails, and other such unthrifty games," on pain of six days imprisonment³. Despite changes in the art of warfare, the Tudor kings were anxious to obtain large supplies of bows from abroad.

English shipping encouraged.

But the legislature under Richard II. recognised not only the importance of commerce, but the great importance of the shipping trade, as supplying a means of defence to an island realm; and the policy which had been so destructive to English shipping under Edward III. was reversed. English merchants were compelled to ship their goods in English ships⁴, though they afterwards got permission to use foreign ships if no others were available⁵. The subsequent removal of the staple for wool to England from Calais could not have been favourable to English shipping, even though one clause of the statute by which this was done reiterated the demand that English merchants should freight English ships⁶. Apparently the

¹ 14 Richard II. c. 2.

² 12 Richard II. c. 6.

³ 5 Richard II., st. i. c. 3.

⁷ 14 Richard II. c. 6.

² 12 Edward IV. c. 2.

⁴ 11 Henry IV. c. 4.

⁶ 6 Richard II. st. i. c. 8.

limitation which these statutes imposed gave the fortunate possessors of English ships opportunities for charging very high rates, while sailors like other wage-earners had been able to ask higher wages since the Black Death¹. The formation of a royal navy by Henry V. rendered the importance of extensive merchant shipping less vital to the defence of the realm. With his death, and the disorder which ensued at home and abroad during the contest of the Roses, less public attention was given to this matter, and it is not till the reign of Henry VII. that we find the policy of developing English shipping pursued with vigour. The Gascony trade was limited to English ships manned by English sailors, and the policy of Richard II. in regard to giving a preference to English ships was again enforced². The importance of the shipping trade as a means of national defence has been explicitly recognised from that time onwards³. As Bacon wrote, King Henry VII. "having care to make his realm potent as well by sea as by land, for the better maintenance of the navy ordained, That wines and woads from the parts of Gascoign and Languedoc, should not be brought but in English bottoms; bowing the ancient policy of this estate from consideration of plenty to consideration of power. For that almost all the ancient statutes invite by all means merchant strangers to bring in all sorts of commodities, having for end cheapness and not looking to the point of state concerning the naval power⁴."

While the rulers were gradually coming to the opinion that the power of the country could be increased by developing its trade, there were others who shewed that

The navy.

A.D. 1485.

The Sovereignty of the sea.

¹ *Rot. Parl.* III. 283.

² 1 Henry VII. c. 8, 4 Henry VII. c. 10.

³ With the exception of the first years of Henry VIII.

⁴ Bacon's *Henry VII.* Works, VI. 95.

the most effectual aid would be given to the commerce of the country, if the English king would vigorously assert his long-recognised right to the sovereignty of the sea¹. This was said to have been claimed by King John in an ordinance at Hastings, declaring that it was the custom of the sea for the ships of other nations to "veil their Bonnets at the commandment" of the English Admiral². The title *Dominus Maris Anglicani circumquaque* had been explicitly claimed by Edward III. early in his reign, and when by the taking of Calais he had established English power on both sides of the channel, he coined a golden noble, an engraving of which may be seen on the title-page, and which had on the reverse, a ship and a sword, to serve as emblems of sovereignty at sea.

A.D. 1339.

¹ The earliest document which asserts this right is a memorandum of 12 Edward III. The claim to the sovereignty of the sea involved many rights—those of fishing and diving for pearls, or of property in the products of the sea; rights of taking tolls for the use of the sea; right of free passage for ships of war; and the right of jurisdiction for crimes committed at sea. C. Armstrong, *Sermons and declarations against Popery* (1530), stands almost alone in protesting against the assertion of this sovereignty; as he held that the increased trade, for which it gave facilities, was not really beneficial like that in old days: then aliens had brought bullion to buy within the country instead of importing artificial wares to exchange, and so competing with our craftsmen: but his objection shews that this stroke of policy benefited English merchants. In the fourteenth and fifteenth centuries the claim had important practical bearings in regard to the duty of repressing piracy. Twiss, *Black Book*, 1. lvii.

In the seventeenth century, when the success of the Dutch in prosecuting fishing off our coasts was exciting great jealousy, and when their commerce was rapidly developing, the nature of English rights became the subject of very vehement discussion; Grotius attacked the claim as absurd (*de Mari Libero*), and Selden replied with much learning (*Mare Clausum*). The historical justification, such as it was, of the claim, is stated by Sir John Borroughs.

² Borroughs, *Sovereignty of British Seas* (1651), p. 11.

For four thinges our noble sheweth to me
King, ship, and sword, and power of the see¹.

The *Libell of Englishe Policye* is a most interesting poem of eleven hundred lines, which may be taken as an adjuration 'to live up to our' noble. The early years of Henry VI.'s reign had been marked by a new outbreak of the piracy² which the firm rule of his father had kept in check. The author felt that it would be a great gain if a real peace—like the king's peace on the land—could be maintained by sea, and English kings were in the best possible position for doing this. At the time when the poem was composed the great continental war was still raging, and Flanders had gone over to the enemy; and peace between the nations might be more easily attained by the policy of keeping the sea, destroying the trade of the Flemish towns, and thus reducing them to a state of poverty in which they would gladly accept our terms, than by any other means. A great part of the work is devoted to shewing how easily this might be managed; and the rest of the pamphlet sketches the means by which our industry and commerce could be most increased, when peace was thus established. He demands 'reciprocity' in regard to trade privileges: if foreigners have special advantages here, England should have the same advantages abroad, whereas their position in foreign cities offers many striking contrasts³: the resources of Ireland should be developed, as also those of Wales, as this was the surest way to render the union secure: and the half usurious profits of the foreign traders, which arose from their

¹ *Libell of Englishe Policye*, vv. 35, 36. On the circumstances of the time see Pauli's introduction to Hertzberg's German Edition.

² The Rovers of the Sea. *Rot. Parl.* IV. 350, 376.

³ *Libell of Englishe Policye*, vv. 496—541.

arrangements as to times and terms of payment, ought to be looked to. All this might be accomplished by maintaining Calais in good order, and keeping the seas round England, but specially the narrow seas, under the rule of the king. There is no real unfairness to foreign merchants in this proposal: the kings of England had generally pursued a policy of giving them special privileges by land, and they were not likely to oppress them by sea. The keeping of the sea could be fairly put forward as the most sure means of bringing about the end of the war, and of rendering the shipping of all countries secure, from the pirates of S. Malo, and from the risk of other quarrels. The English king was the only potentate who could possibly accomplish all this, both from his power, and from the position of his country. If he took it in hand there might be universal peace for all, and fair trading for Englishmen.

*Germes of
mercantile
system.*

In the course of the argument a most interesting account is given of the products and trade of all sorts of foreign lands; but the chief value of the tract lies in the fact that it shews us, even more clearly than the Rolls of Parliament or the Statute-book, the germes of that policy which was afterwards developed into the mercantile system. We shall see below that this system of trade policy was intimately connected with a desire to maintain the power of the country: but there is also a hint in this poem of a special importance, not only for purposes of policy, but for industry, in amassing silver rather than other commodities. The Venetian trade was a subject of complaint, because the merchants brought articles of luxury such as spices, drugs, that are rapidly consumed, whereas we could provide for all our ordinary wants by articles of home production: we have here a new form which the feeling that prompted sumptuary laws was

beginning to take¹. The use of English commodities, and especially the use of 'thrifty' commodities, seemed to be a matter of high importance; and of all commodities, none was so thrifty², because so well adapted to hoarding, and so unlikely to be worn out, as gold³. Along with this strong national feeling, there are signs of much jealousy of foreign traders: the last year of Edward III. marks the time when the demands of the English dealers were successful in obtaining a reduction of the privileges granted to merchant aliens in England; and during the fifteenth century there was a continually growing demand for a more complete reciprocity of trading privileges.

¹ The grete galees of Venice and Florence
Be wel laden with thinges of complacence
Al spicerie and of groceres ware,
With swete wines al manere of chaffare
Apes and japes and marmusettes tailed,
Nifles, trifles, that litel have availed,
And thinges with which they fetely blere our eye
With thinges not enduring that we bye.

* * * *

Thus these galeys for this liking ware
And eting waar bear hens our best chaffare,
Cloth, wolle and tin which as I said beforne
Out of this land went mighte ben forborne
For eech other land of necessitee,
Have grete need to by some of the three,
And we receive of hem into this coste
Ware, and chaffare that lightly wol be loste.

v. 344 fol.

² Also they bear the golde out of this land
And souketh the thrifte away out of our hand,
As the waffre souketh hony fro the bee
So minisheth our commoditee.

v. 396 fol.

³ On this policy see below, p. 297.

*The Hanse
League:
its trade*

§ 53. This jealousy of foreigners was chiefly aroused in consequence of the privileges and great success of the Hanse League¹. This body, composed of members of the gilds merchant, of a large number of German towns, had a monopoly of the trade of Scandinavia and the Baltic, with the rest of Europe: they had also a practical monopoly of the trade between Russia and the west of Europe, while there were important routes from Russia to Persia and the East. The League, through its different factories and connexions, was able to carry on a very extensive trade between the north and south, and also between the east and west of Europe.

*and
industry*

But the factories of the league were not mere commercial warehouses, they were centres of industry as well. The fullest development of this system occurred at Bergen, which had passed entirely into the hands of the League: German craftsmen and merchants had quite taken possession of the place, by making the most of the very extensive privileges granted to them, and by using their naval power to keep a strict monopoly in their own hands.

*a cause of
jealousy.*

That the native population were extremely jealous of a foreign community which throve by its special privileges and exemptions may be easily understood: but when it is remembered that they were often celibate communities, never really settling in the land, but living a not very strict life, and enriching their own land by the profit of the trade², the irritation with which they were

¹ For the history of this body see Worms, *La Ligue hanseatique*, and for its fortunes in England, compare Lappenberg, *Urk. Gesch. d. hansis. Stalhöfs*.

² "IV. Moreover a great number of artificers and other strangers not born under the king's obeysance, do daily resort and repair to the city of London, and to other cities, boroughs and towns of the said realm, and much more than they were wont to do in times

regarded becomes more intelligible. If we think of the hatred felt towards the Japanese in San Francisco at the present time, we can understand the feeling better; especially when we remember that there was this great additional grievance, that though the success of the foreigners was greatly due to special privileges accorded to them, such as partial exemption from taxation, English

past, (1) and inhabit by themselves in the said realm with their wives, children and household, and will not take upon them any laborious occupation, as going to plough and cart, and other like business, but use the making of cloth and other handicrafts and easy occupations, (3) and bring and convey from the parts beyond the sea, great substance of wares and merchandises to fairs and markets, and all other places of this realm at their pleasure, and there sell the same, as well by retail as otherwise, as freely as any of the king's subjects use to do, to the great damage and impoverishment of the king's said subjects, (4) and will in no wise suffer nor take any of the king's said subjects to work with them, but they take only into their service people born in their own countries, whereby the king's said subjects for lack of occupation fall into idleness, and be thieves, beggars, vagabonds, and people of vicious living to the great perturbation both of the king and of all his realm; and when the merchants, artificers and strangers before rehearsed have gained within this realm, by buying or by such easy occupations and handicrafts, great substance of goods, with the same substance they go out of this said realm to such parts beyond the sea as liketh them best, and there spend the same goods, oftentimes among the king's adversaries and enemies, to the great damage of our sovereign lord the king and his subjects, and impoverishment of this realm and the commons of the same, and so by occasion of the premisses, the substance of the inhabitants in the said cities, boroughs and towns now late hath fallen, and daily doth fall into great poverty and decay, to their great undoing, unless the king's gracious aid be to them in this behalf shewed."

In answer to this petition aliens were restrained from exercising handicrafts, and were compelled to sell their goods in gross, and within eight months from landing, and restrained in other ways.
: Richard III. c. 9.

traders enjoyed no corresponding advantages in their cities¹.

*Attempts
at settle-
ment.*

- The Rolls of Parliament bring out these various points very clearly: the ever-recurring petition of the commons to restrict the privileges of alien merchants at length procured from Richard II. an assent to the proposal to prohibit aliens from selling to other aliens, or from selling by retail². In the same reign we find attempts to enforce reciprocity: redress for grievances was given to the men of the Hanse on the understanding that similar redress should be given to English merchants³ in Prussia. The same claim had been made at the beginning of the reign, as the charter of the London Hanse was confirmed on the understanding that the members of the League would agree to the 'aiding, counseling and comforting' of Englishmen abroad⁴. But the bitterness was not allayed, and a struggle continued in which each country lost seriously by reprisals. A treaty was made in the time of Edward IV., by which it was hoped the quarrel might be set at rest. The English were to pay £10,000 and claimed £480 as a set-off, on account of damages done; it was also agreed that they were to be free to trade in the Baltic⁵, but according to M. Worms, the historian of the Hanse League, this part of the treaty was never observed.

¹ The chief disadvantages of English traders abroad were that having no establishment like the Hanse League, they had the expense of going to inns, while the Germans spent no money in this country (*Libell of Englishe Policye*, v. 464), and that they had to sell their goods within a very limited period, and therefore often at a great disadvantage. The men of the Hanse League could hold over for a better market, and could at one time sell by retail, as well as wholesale.

² *Rot. Parl.* III. 308.

³ *Ibid.* 253.

⁴ *Rot. Parl.* III. p. 52.

⁵ Rymer, *Foedera*, original. XI. 793.

The fall of the League was partly due to weaknesses which were inherent in its constitution: the bond between the different towns which composed it was comparatively slight, and the financial system of the League was by no means sound: several towns, and notably Cologne, found it more profitable to trade in their own way rather than under the regulations of the League. But the decay of this great mercantile body was also due to the discovery of the new worlds, and the opening up of a more profitable commerce to points at which they had no established footing, and where they could be undersold by rivals who adopted less exclusive methods of trading¹.

Even while the League seemed to be in the zenith of its prosperity, there were English merchants who ventured to compete with its merchants in their own waters, and not without success. These were Merchant Adventurers: this name was given to any merchant who shipped a cargo to any port other than that where the staple was held. The merchants of the staple managed the entire trade which was generally centred at Calais, but all direct dealings with the Netherlands, or with any other country, were carried on by merchant adventurers. English traders had obtained privileges from the Duke of Brabant in the time of Henry III.: for purposes of convenience they organised themselves into a company with a governor, and frequented one special town as their depot, and the right of thus regulating their affairs was

¹ The regulated companies and even the joint-stock companies were in a sense national institutions: the Hanse League rested on the exceptional position attained by certain municipalities: it was the greatest development of a municipal or gild, as opposed to a national commerce.

confirmed to them by charters of Henry IV.¹ But their operations were not confined to any one point: before the fourteenth century closed, they had obtained a footing in Lubeck, Rostock, and other towns², and early in the

- A.D. 1427. reign of Henry VI. they formed a factory at North Bergen³ in Denmark, and thus forced the way into the heart of their rivals' district. As time passed, the Company of Merchant Adventurers, like other trading bodies, became more exclusive in character; and complaints were heard of the way in which they abused their privileges⁴; but it may at least be said for them that they broke down the barriers which the Hanse League had reared, so as to open a wide field for the energy of individuals and the enterprise of associated dealers.

¹ Rymer, VII. 693, VIII. 360. See Malynes' *Centre of Circle*, p. 86. The whole history is investigated with great care and with the help of hitherto unpublished documents by G. Schanz, *Handelspolitik* I. 327—351; II. 539—589.

² Rymer, VII. 112.

³ 8 Henry VI. c. 2.

⁴ 12 Henry VII. c. 6.

IV.

PRIVATE ENTERPRISE.

I.

COMPETITION.

54. Utility and Prices. 55. Money as Purchasing Power.
56. Stock-in-trade and Capital.

§ 54. THE breaking up of the mediaeval social system produced a very decided change in prices: not so much in the rates of prices as in the principles on which they were determined. So long as each man had his determined place in society, it was possible to calculate what his reasonable wages should be, and thus to estimate reasonable prices for the commodities he produced: but in the fifteenth century this was no longer possible. The craft-gilds did indeed make use of their monopoly for a time, but they soon began to feel the competition of alien and other outside craftsmen who were willing to accept lower prices, because they were not liable for the heavy payments to the gild. *Reasonable and*

When prices could be no longer regulated by retrospective calculation, they came more and more to be *competition*

determined by competition. With the subdivision of employments it had become increasingly difficult to name a price that should be precisely just, and competition prices from their greater convenience came slowly into vogue. From the writers of the sixteenth century we learn that a new industrial era was beginning to appear, and we shall best understand it if we try to trace its characteristics, as distinguished from those of the industrial régime with which we have hitherto had to do.

prices.

When competition is the order of the day the fewness or plenty of buyers leads to the fixing of a just price ; so that when buyers are many, goods are, *cæteris paribus*, worth more, and otherwise if buyers are few : such was A.D. 1513. the opinion of the theologian Medina¹ on the subject. The statement may be taken as an approximation to the modern phrase that prices are fixed by supply and demand, though even this latter phrase is wanting in definiteness. The older view had been that price was to be according to common estimation of the cost of production : no consideration of utility need be directly taken into account : to raise the price because of the particular need of the particular buyer was extortion : to consider the quality of the goods was unnecessary since that was seen to by the guilds².

Conditions
of competi-
tion.

It is true that in a large market where there are many buyers and many sellers, the effect of competition is to give a uniform and therefore a fair price all round : but the results are by no means so satisfactory, if customary or regulated prices are discarded, and prices are fixed by mere competition, although there is little competing. In many cases the physical conditions are not existent, which render it possible for many buyers and many

¹ *De rebus restituendis*, quoted by Scaccia, *Tract.* p. 120, n. 65.

² See above, p. 208.

sellers to meet: in such instances the price of any commodity at any particular time is settled by a bargain in which the seller can take the full advantage of his superiority, or of any accidental *scarcity*. The disuse of regulation in the determination of price may have made little change in large markets, or wherever the means of communication allowed many buyers and sellers to meet; but when such means of communication did not exist, prices were determined not by the competition of many buyers and sellers, but by the haggling of a single pair.

If we contrast this new régime with the older one of regulated prices, we may say that the conception that has come to the front¹ in all such competition purchasing is not that of the *cost* of getting the article, but of the actual *usefulness* of the article at the definite place and time: only on an average and in the long run are competition prices related to cost of production. The really *and utility*. important consideration in the mind of the seller is the utility of the article: its usefulness to him if he resolves not to part with it, or its usefulness as a means of procuring other goods at a future time if he defers the sale: he may often part with it for less than the expense of production if he neither wishes to use it nor sees a chance of getting a better price. So too the buyer only thinks of the usefulness-of-the-article-to-him: he will not pay more for any piece of goods than will suffice to get him something else that serves his turn as well: the

¹ See above, p. 63. To put it briefly, in old times utility determined that an exchange should take place, but an attempt was made to regulate the terms of exchange by considerations of fairness; in the modern era, it is by mere reference to present or future utility (which obviously involves the consideration of scarcity) that the rate of exchange is agreed on.

expense of production is nothing to him, the utility of the article is all he cares about¹.

*The expectations
of the
seller.*

It has been noticed above that in every bargain², one or other of the two parties is less anxious about completing the transaction, and may therefore be said to have the advantage. The introduction of money very seriously diminished the advantage which the trader had over the producer and consumer, and by giving terms in which time and trouble could be estimated, gave the means for establishing a system of reasonable prices. The decay of the institutions which had arranged prices, and the introduction of open competition, gave new opportunities for the trader to derive advantage in driving his bargain³: the strength of the position however now lay with the man who had most knowledge, and who by foreseeing the course of competition could judge of probable prices. In this case we may say that the man who possesses an article which he wishes to sell for money is the one on whose judgment the price depends: if he foresees an increase of the supply, he will be willing to lower his price rather than not sell: if he foresees a decrease he will withhold the article rather than sell for less than the price⁴ which he hopes

¹ In a large market this is disguised: the price to all is that which is expected to tempt just so many buyers to come forward, that all the stock offered may be sold: the price which all pay accords with the usefulness of the article to the least anxious buyer who actually buys it.

² See above, p. 62.

³ See above, p. 210.

⁴ The newspaper phrase that "prices are determined by supply and demand" is by no means satisfactory. It is obviously true that our mere desire for goods, unless we have something to offer for them, will never affect price, so that the "demand" spoken of must be an *effective* demand, or a demand combined with a power of supplying something in exchange.

to realise a few days or months later: the sale will not take place unless he chooses, and the price at which it will take place will depend on his calculations of what is worth his while—of the prospective utility of the article to him for purposes of sale or possibly for consumption.

From a consideration of the conditions under which price was determined, we see that an association of traders who combined together, and whose privileges gave them either a strict or partial monopoly, could obtain prices considerably above the cost of production, and that so long as their monopolies were main- *Effects of competition.*

It is also true that the "supply" spoken of is not the mere physical quantity which the sellers of any article hold or can procure: it is only at a crisis or on a bankruptcy, when the seller is compelled to realise his goods at once, that his whole stock is supplied. Prices are not determined by the mechanical action of "supply" and "demand," but by the forecasts of the sellers as to the probable quantity which will be demanded under given conditions.

A man who has a strict monopoly of any article for a given time, will calculate the probable demand which will just carry off his stock; and will fix the highest price at which this can apparently be done. The same course may be pursued by a group of traders, who are perhaps associated—like the recent cotton speculators—for the purpose of creating the monopoly, of which they afterwards hope to reap the advantage.

The certainty of an increased supply at a given time, the knowledge that the article can be produced by others only at a dearer rate, or at cheaper rate than he produced it, will all affect the terms on which each seller in a market offers his goods. Business capacity simply consists in a power of calculating these probabilities readily, and selling or holding over, accordingly. The judgment and expectations (or speculations) of the holders of any commodity do as a matter of fact *set* (to use an old phrase) the price; and a theory of mechanical supply and demand which ignores this active factor, may perhaps describe the phenomena of price, but can never really explain them.

tained they could make large profits. This was the position of the *dealers* whose rise has been noted above¹. It is more important to observe that so soon as competition came to be the one recognised method of agreeing on prices, all calculations of reasonableness were necessarily left on one side, and the evils which were exposed in Kingsley's *Alton Locke* and Hood's *Song of the Shirt* first began to shew themselves. But at the same time an immense stimulus was given to enterprise and business capacity: when the system of reasonable prices passed away it was no longer possible to prevent speculative trading. There was now a field in which the active man could push forward, and the man of capacity could speculate with success; and thus the breaking down of the old system gave room for an extraordinary development of industry and trading. The spirit of enterprise which had been checked before, now formed a field in which to assert itself.

§ 55. By far the most striking change, however, was the new view of *money* that was now introduced. In the older days coinage had given a unit for the comparison of one ware with another; but it was not an object which men were likely to seek after, except in so far as they desired to lay by for a rainy day. If they had large sums at command they could not invest them; and for far the larger part of the population, their food and clothing was practically determined by their status in the social system: so long as prices were arranged by calculation, there must have been comparatively little variation in the real reward which a man got for his labour; and with payments made partly in kind, attention was not directed forcibly to money as a purchasing power. But

as purchasing power.

¹ See above, p. 210.

with competition prices all this changed: the amount of comforts a man could obtain depended not on the regulations of his gild, but on the purchasing power of the money he obtained by the sale of his wares. It was no longer a mere matter of importance to regulate the coinage, and thus have a definite unit for the comparison of wares; money had come to be a thing for which everyone sought, not exactly for its own sake, but because of its *purchasing power*: it was a convenient representative of all other objects of wealth, and as such a thing of which each man desired to have as much as possible. The new light in which money was regarded, and the stimulus which was given to industry, must apparently have led to the employment of sums that had been hoarded, and to the more rapid circulation of existing coins.

§ 56. One result of all these various changes was *Stock-in-trade* the appearance of a new factor in the economic sphere: *trade* we now for the first time hear of *capital*, in the modern sense of the word. Of course every craftsman must have had his *stock-in-trade* of materials and tools, as well as food and clothes; he must have had the means of waiting till his work was completed, as well as the means of working. But by capital we habitually mean more than *and* this; we mean a store of wealth which can be directed *Capital*. into new and more profitable channels as occasion arises. Stock-in-trade is fixed and cannot be diverted readily *The* from one channel of production to another: capital is *fluidity of* to some extent fluid,—always being consumed and *Capital* replaced¹, and so far changing its form that it is capable of

¹ In whatever form capital is invested this is true; even so called fixed capital, such as machinery, needs to be constantly repaired or renewed, and by ceasing to reinvest profits in keeping up the plant

transfer from one kind of production to another. It was noted above¹ that coins were the form of wealth that was most readily susceptible of hoarding, and now as each man began gathering wealth, he proceeded to use it in any direction that seemed likely to be profitable. His wealth did not consist of stock that he used for his own work, but of capital which he embarked in the most profitable investment. Thus we find a sphere for a class of men who are rightly called capitalists, because they live on the profit of their capital, and are indifferent to the direction in which their capital is used so long as the return is satisfactory.

*greater
than that
of Labour.*

It has been noticed above that one result of the competition prices was an increased severance between the different classes of craftsmen: but the real reason of the modern disputes between capital and labour lies in the fact to which attention has just been called. It is true, that capital cannot be transferred from one employment to another without serious loss, but it is equally true that labour can hardly be transferred at all. Capital is much more fluid, much more indifferent to the direction of employment than labour, and from this fact the difference of interest between capital and labour takes its rise. It is often the interest of a capitalist to withdraw from some line and try another venture, it is never to the interest of the labourer to give up the trade to which he has been bred and try his luck at a very different one.

In fact, with the introduction of competition, and a reference to utility instead of to reasonableness in prices, we find ourselves at once in the presence of all capital is really withdrawn, whether it is invested elsewhere, or dissipated.

¹ See above, p. 74.

the phenomena of modern as opposed to mediaeval industry. We have openings for investment and speculation; we have a new feature in money as a purchasing power; we have the desire of wealth as an active incentive to work or business, in place of the duty to the gild which had so much more influence in earlier days; but most of all we have the condition of affairs which gave opportunity for the existence of capitalists. In all this we see signs of individual interest, and utility to the individual, as taking a prominent place, though in Tudor times private interest is still kept subordinate to gilds and to the State. This however may be said, the comparatively free play of individual interest was only possible, because society was now held together by firmer political bonds: real wrongdoing could be detected by the application of legal standards, and by the interference of recognised tribunals. Unless the State had since the time of Edward I. made its voice heard in matters of industry and commerce, the breaking up of the system of regulation and substitution of free competition, must have ended in utter anarchy. Even as it was, the period of transition proved a most serious strain on the stability of the state. The individual who follows his own interest without regard to the Family or the State is always a social danger; and a self-seeking which is absolutely unlimited by a regard for these institutions cannot be the basis of a permanent civilisation: only in a well established, and highly organised society can such individualism be suffered to exist at all. To many men during the sixteenth century it seemed that the seeking for private profit was the undoing of the State¹.

*Modern
Industry
and the*

*social
conditions
it pre-sup-
poses.*

✓

¹ Strype, *Memorials*, II. Part II. pp. 352, 356. More's *Utopia* (1516), 34. Latimer's *Ploughers*. Starkey, *Dialogue* (1530), p. 66. One of the earliest writers who accepted competition as a fact, and tried to discuss its limits, was W. Stafford (1581). See below, p. 268.

II.

CHAMPION AND SEVERAL

57. Enclosures. 58. Gradual break-up of manorial system.
59. The Monasteries and the Poor. 60. Competition Rents.

Enclosure § 57. It is in rural districts that we first find traces of the breaking up of the old social system, and introduction of the new economical conditions. This has been partly noted in speaking of the statutes of labourers and the rising of the villains and the consequences of these changes, but it is necessary to consider more closely the alterations which were made in the methods of cultivation employed: so far we have chiefly noted changes in the personal relations on the various estates.

in primitive times. From the very earliest period of settled habitation there had been a certain amount of enclosure; each farmhouse was surrounded by its yard, enclosing the out-buildings, and was thus in the strictest sense of the phrase, which still survives in Scotland, a farm tun, or farm town. While extensive culture was in vogue, and in so far as extensive culture survived alongside of the three-field system, there was a great deal of temporary fencing required, in order to keep the cattle from straying among the growing crops. So too when the three-field system became general, it was necessary to prevent the cattle which were wandering on the old stubble from

getting among the springing crops; and regulations on these subjects date from the time of Ine¹, while many passages in Domesday shew the important part that wood for enclosing played in the village economy. Such temporary enclosing by fences which were carefully removed², when they had served their purpose of protecting crops or hay, is a very different thing from the permanent enclosing which created such dismay in the sixteenth century. *Temporary and*

Even this permanent enclosing however cannot be looked on as a new thing in the fifteenth or sixteenth centuries: the new portions of land cut out of the waste appear to have been from a very early time enclosed as they were brought under tillage by new tenants for the lord of the manor, while the rest of the community had ceased to have any rights over them at all. To the lords of the manor in the fourteenth and fifteenth century it must have seemed increasingly desirable to have the same control over all the land they possessed. The collective culture of the whole village lands on the three-field system implied the division of each man's land into scattered parcels, and a general agreement as to the method of working the land. To the manorial lords these provisions became more and more unsatisfactory: they preferred to have their land in one block, and under their own control; and when the new conditions of labour rendered it more difficult for them to keep their arable land properly tilled, they were more desirous than ever to be independent of their neighbours, and free from the requirements of the customary culture. Sheep farming was, as we have seen, becoming more and more *permanent enclosure on manors. Sheep farming*

¹ *Laws of Ine*, cc. 40, 41. Thorpe, *Ancient Laws*, p. 127.

² Generally early in August on what were known as *Lammas Lands*.

profitable, and the lords were therefore desirous to make a permanent enclosure of their own parcels, which could then be managed on the plan that offered most prospect of a profit, as was already the case with the other portions of their estates. The lands thus withdrawn from the old common fields and enclosed by permanent fences, could be used sometimes for sheep and sometimes for tillage, so that instead of the old permanent arable land worked on the three-field system, we find the introduction of a *convertible* husbandry,—that is, an alternation in the use of land for grazing and for arable purposes.

and con-
vertible
hus-
bandry:
its profit-
ableness,
and

This convertible husbandry was much more profitable than the three-field system, as that necessarily implied a considerable exhaustion of the soil and a good deal of labour in carting and spreading manure upon it: the crops which could be procured from a not too frequently ploughed grazing-field were much more valuable, while the profit on sheep was also very large. Besides this, very little labour was required: permanent quickset hedges took the place of the old temporary fences, and less herding was necessary. With the better system of using the land too, a much smaller area was needed for tillage: a smaller quantity of ploughed land produced as large a return, so that far less labour was required on each estate than before. As, since the Black Death, labour had become so dear, any change which allowed for the employment of less labour was most profitable. Sir John Fortescue's evidence has been already quoted, and the two principal writers on rural economy in the sixteenth century speak very strongly in favour of the new system of convertible husbandry. One of these, Fitzher-

A. D. 1539. bert, whose *Boke of Surveying* is a rare little black letter printed in 1539, points out the advantages of the new

system in his last chapter¹. Thomas Tusser, in his versified *Five Hundred Points of Husbandry*, is of the same opinion², while another of his poems on *Champion and Several*³ expressly discusses the question, and proves the superiority of the system of enclosures on many grounds, as well as by reference to those counties where it had been most extensively introduced. A similar remark is made by W. S. in the *Brief Conceit of Englishe Policye*⁴, A.D. 1581. who shews that enclosed severalty was more profitable to work, but that the change, especially if sudden, might be accompanied with injustice.

This more profitable system was probably introduced ^{gradual} very widely before we hear very much of the change. ^{intro-} ^{duction} There was no reason why the lands that had never formed part of the common fields, but had been cut as new holdings out of the waste should not be worked on this system, as soon as the lord chose to make the change. The necessary step would be the uniting of several small holdings, each of which had been worked by the labour of a family, and the leasing to one tenant who possessed a large number of sheep. Such evictions at the time when the increasing industry of the craft-gilds

¹ See Appendix I.

² Good land that is several crops may have three,
In champion country it may not so be
T'one taketh his season as commoners may,
The tother with reason may otherwise say.

October's Husbandry, v. 21.

³ *Champion* country was that when there were open fields, not yet enclosed into separate (or *several*) plots. Nothing proves better how slowly a change in rural economy takes place than the fact that the same arguments had to be repeated at great length by Vancouver in 1794, *General view of agriculture in Cambridgeshire*, 195.

⁴ *Harleian Miscellany*, ix. pp. 160, 181, 184. See also Pole in *Starkey's Dialogue*, p. 97.

*during the
fifteenth
century.*

and the display of the lords with their retinues, were making constant calls for more servants, might not be regarded as a serious grievance, and there would be no difficulty in making sweeping changes among the recently introduced tenants at will, so long as the rights of those who held by copy of the court roll were respected. We have already noticed that this revolution was proceeding (§ 50), and there is ample evidence from the beginning of the fifteenth century that the agricultural population was diminishing, and that sheep farming was on the increase. The apparent reason for this, which had given the occasion for the change, was the scarcity of labour; the real reason was the profitableness of the new system of farming where little labour was required. Besides the abundant evidence already given the steady change may be traced in numerous statutes till we come to those of Henry VIII. about decayed farm towns, or farmhouses, in the Isle of Wight, and till it culminates in the excitements of the time of Henry VIII. and Edward VI.

*Oppression
and unjust
eviction of
copy-
holders.*

§ 58. The existence of the collective husbandry on the common fields of the village, was a barrier which prevented the lords of the manor from using all their land in the same way. The various parcels of land in these open fields were all intermixed, and it was impossible for one man to withdraw unless the whole system were given up. It was this which led manorial lords to try and attack the rights of the copyholders, so that they might enclose their own portion of the common fields: besides this where the common rights were forfeited it would be possible for the lord to enclose great portions of the waste which he would otherwise have had to leave for the sheep and herds of the commoners. The lords therefore took legal proceedings and obtained decisions

against copyholders on frivolous grounds¹: they united several holdings into one larger farm, and they occasionally interfered with the pasture-rights of other tenants so that it was no longer possible for them to keep any cattle and have their land properly manured². The result of this was a great amount of discontent, and several risings among the peasantry were probably not unconnected with the change: some of them appear to have been intended to protest against the futile results of the Land Commission, that was appointed to visit the various counties and report, and from which much had been hoped, but which did not proceed very actively, or in the end effect anything at all. Three bills which were drafted on the subject by John Hales one of the leading commissioners were all lost at different stages of their progress through parliament. At the same time the documents on the subject which have been preserved by Strype give us most interesting light on the violent change³ that was then taking place: Latimer and other preachers spoke very strongly on the subject and shew how disastrous the revolution seemed to them to be. The reasons alleged in support of this opinion are instructive, as they are very closely allied to the ideas which were developed into a system by the Physiocrats. Tillage is spoken of as the source of the nourishment of the whole community, and its products are contrasted with the unsustaining precious metals⁴. The chief evil, for which redress is demanded in these

Disadvantages of the change.

¹ Proclamation, Strype, II. pt. i. 146. *Supplication of the Poore Commons* (1546), p. 80.

² Instructions, Strype, II. pt. ii. p. 360.

³ The violence is a little difficult to reconcile with the statement of Fortescue eighty years before, quoted on page 217, but see below, p. 269.

⁴ Hales, in Strype, II. pt. ii. pp. 352, 353.

sermons, was the destruction of the rural population¹ consequent on the reduced number of holdings and diminished employment for labour; this seemed certain to bring about a decline in the effective force of the realm for purposes of defence. Another loss was the decreased production of lint², so that insufficient employment was given to the poor in spinning, and the evils of idleness ensued. But it was also said that as sheep were kept rather than cattle, milk and cheese as well as beef were unduly dear, while poultry was no longer so plentiful as when there were many small farms³: and this seems likely enough. But besides this it was urged that owing to the large farms and the comparatively small number of farmers who supplied each market, they were able to combine and enhance prices most unfairly, and one of the bills which John Hales prepared was specially directed against this evil: this may possibly have been the case, though the dear rates for sheep and other rural produce were more probably due to the depreciation of the value of money of which we shall presently have to speak.

*Real
economic
improvement*

One curious circumstance, which gives an additional proof of the superiority for arable purposes of the system of convertible husbandry, is the fact that in spite of the diminished area of culture, corn did not share in the general rise of prices which took place at this time. The explanation of this, which was given at the time, is characteristic: it was said to be due to the poverty of the small farmers who continued to grow corn, since they could neither combine nor hold back⁴ for

¹ Hales, in Strype, II. pt. ii. p. 358.

² 24 H. VIII. c. 4. 5 Eliz. c. 5; also Edw. I. 121.

³ *Certain causes wherein is shewed the decay of England*, p. 100.

⁴ Hales, Strype, II. pt. ii. p. 359.

better markets as the rich graziers did. That there was a great deal of speculative dealing cannot be doubted, but this can hardly have been the whole explanation. Nor can we regard it as sufficient to point out that wool, being an exported commodity, would feel the rise of prices owing to the influx of silver to Spain and Flanders from America, more rapidly than products of home consumption. The continued low price points to the fact that, while the supply of butter and poultry, which were the products of small farms, was getting dear, the supply of corn, under better management of the land, was still sufficient¹.

The amount of social misery need not lead us to underestimate the greatness of the economic improvement, though it may lead us to see that the question how far economic improvements are matters for congratulation is one that admits of more difference of opinion than may at first sight appear.

§ 59. The violence at this precise period, of the change which had begun so long before, was due to exceptional circumstances; for though the economic advantages were great enough to maintain the new system when it was introduced, they do not appear to have been in themselves sufficient to bring about its general introduction. In Cambridgeshire, in 1794, there were only 15000 acres of enclosed as compared with 132000 acres of open arable land: this could hardly have been the case if the changes had gone on steadily and continuously, owing to the proved economic advantage of convertible husbandry. The very rapid introduction of the new system in many places just after the Reformation was due to the enormous transference of landed property that then took place.

¹ Vancouver (*op. cit.* 219) estimated that rents would be increased £52,800, by the complete enclosure of Cambridgeshire.

The confiscation of the monastic lands by Henry VIII. in 1536, and again in 1539, was followed by the appropriation and sale of the lands of chantries and collegiate churches by Edward VI. in 1548. A moderate estimate would lead one to guess that about one fifteenth of the landed property in England must have then changed hands¹.

on the
dissolution
of the
monas-
teries.

Causes of
dissolu-
tion

All analogy would lead us to suppose that the new system of tillage had been very little, if at all, introduced on monastic lands: the wording of the proclamation and instructions to the Protector's Enclosure Commissioners indicates that a considerable portion of the Church domain lands had been used for tillage, and that the old system of bailiff-farming had been continued as long as possible. In the tissue of falsehoods in regard to the state of the monasteries which was spun by interested lawyers at first², and which has been sometimes too hastily repeated by modern writers³, we may perhaps discover a single element of fact: the reports go to shew that the houses were practically bankrupt, and that there was very little chance of their recovering a sound financial position without some very radical change. From a purely economical standpoint the confiscation may have been justified, and the production of the lands been increased when they were granted to the nobles who had cast in their lot with the party of change, and were gathering their reward in the general

¹ The amount of ecclesiastical wealth in 1535 was officially returned by special commissioners, and is recorded in the *Valor Ecclesiasticus*. For a very careful comparison of the wealth of the Church in the time of Edward I. (see above, p. 165), and of Henry VIII. see Dixon's *History of the Church of England*, I. 249.

² Dixon's *History*, I. 328, II. 142.

³ Froude, *History of England*, ch. x.

scramble which ensued. It was on these lands thus suddenly transferred that the new system was ruthlessly introduced by lords who had no knowledge of, or feeling for, ~~their~~ new tenants; and the social change came most sweepingly on those very estates where the old tenures and methods of culture had been least impaired¹.

The breaking up of these houses, had also a serious *and effects* effect on the condition of the poor: the chief provision *on the condition of the poor.* for them was done away when the doles at the religious houses ceased, while at the same time the number of unemployed vagrants must have been greatly increased when these old communities were disbanded. But a much more serious matter was the breaking down *Restraints on pauperism removed.* in so many quarters of the old social system. The manorial system had been the great preventive of pauperism, and now that the old ties of service and obligation were being broken, the greatest difficulty of modern society began to be felt, not only in towns, but in rural districts as well². In the old days there had always been a lord who was responsible for the support, as he could claim the labour, of the able-bodied poor on his land: but the effect of the great agricultural improvement had been precisely analogous to that of the introduction of machinery in the present day: much more could be produced with less toil, and therefore, for keeping up the necessary supply of corn, comparatively few men were needed: the rest were evicted from their holdings, or no longer employed by the large farmers, and thus set adrift in the world with no means of support and no field for their accustomed labour. This must have been a constant change during the fifteenth

¹ Supplication of the poor commoners to the king, in Strype, i. p. 398.

² See above, p. 155.

century as sheep-farming came more and more into vogue, but the evil was felt more forcibly when the retinues of the nobles¹ were disbanded and large numbers of idle, as well as of unemployed, men were let loose on society.

*Legislative
remedies*

A great deal of legislation of the sixteenth century was in consequence concerned with attempted remedies for this growing evil: on the whole, the lines which had been sketched in the legislation of Richard II. appear to have guided the advisers of the Tudor monarchs. One of his statutes² had insisted on provision being made for the impotent, while the confirmations of the statutes of labourers all provided for the punishment of the valiant beggars, while special statutes altering the punishment—from imprisonment to two nights (subsequently one) in the stocks—were passed by Henry VII.³

*of Henry
VIII.*

From 1530 onwards, however, the question of poor relief obtained a prominence which had never before been given to it. The chief difficulty, even before the fall of the monasteries, appears to have been felt about the maintenance of the deserving aged and impotent poor, and means were provided for allowing them to beg within certain districts, while all unlicensed beggars, impotent or sturdy, were to be severely punished: but experience soon proved that something more was needed, and in 1535 the step was taken of organising the charitable relief in each parish under the churchwardens. Indiscriminate private charity was discouraged, and the poor were to be maintained out of a voluntary common fund gathered in poor boxes in whatever way seemed most convenient. More severe penalties than ever were at the same time imposed on the sturdy beggars.

¹ More, *Utopia*, 29.

² See above, p. 224.

³ 1490 and 1504.

There was a general impression that the fall of the monasteries greatly increased the number of the poor¹; the evidence already brought before us shews that the increase of pauperism is rather to be ascribed to the social changes, of which the impoverishment and appropriation of the monasteries was a symptom. No farther steps were taken by Henry VIII., but his son had recourse to very severe measures immediately on coming to the throne: by a statute of his first year, those who informed on sturdy vagabonds were to be allowed to retain them as their slaves², to brand them, and to confine them with chains: while their children might be taken from vagabonds to be brought up as the slaves of those who were responsible for them until their apprenticeship expired. By the same statute habitations were to be provided where the impotent poor might dwell and be "nourished with alms:" but the whole is noticeable as evidence of the existence of the evil, not as a successful remedy, for the statute was repealed before a couple of years had expired.

*Edward's
repressive
measures
and*

The 5 and 6 Ed. VI. saw new provision for the carrying out of the charity organisation plan: moral suasion, by the churchwardens, the curate, and even the bishop, was to be brought to bear on those who did not give, according to their means, to the poor fund of each

*charity
organiza-
tion.*

¹ Dugdale says, "while the houses stood there was no act for the relief of the poor, whereas in the next age there were no less than eleven bills for this purpose." *Warwickshire*, p. 803, quoted by Eden, 96.

² This reads like an attempt to carry out some of the suggestions of More's *Utopia* (p. 121). Or it may have been an attempt to re-introduce the old system of mutual duty and responsibility by act of Parliament. From another clause we gather that villeins in gross still existed in England. Cf. Harrison's description in *Holinshed's Chronicle*, i. 275.

parish; and similar steps were to be taken with collectors of the fund, who did not make a proper account of the way in which they disposed of it. No change was made in Queen Mary's reign, except that the time for raising the fund and appointing administrators was changed from Whitsuntide to the more seasonable time of Christmas¹.

*Elizabeth's
legislation
and*

The 5 and 6th Elizabeth gave a great code for many matters connected with the lower classes. The absurdity of enacting the rates of wages by statute was felt at a time when prices were rapidly altering: and it was decreed that the Justices of the Peace should every Easter arrange the rates of wages that ought to be paid, having regard to the circumstances of time and place (c. 15). But attention was also given to those who were unable to work, for by the same statute (c. 5) the moral suasion of the previous reign was to be enforced by the penalty of imprisonment, to which those became liable who did not give to the poor fund, or who did not account for its administration. This was the beginning of compulsion in the matter of contributing to the support of the poor; and in 1572 a farther step was taken by providing that the money should be raised by assessment. Any balance of the fund thus raised, after maintaining the impotent, was to be devoted to setting vagrants to work; while in 1576, the justices were empowered to buy buildings and a stock of hemp or other materials; from this we must date the first step towards the institution of *workhouses*².

*Compul-
sory rates,*

It was however in 1597 that the most important change was made, for in that year the justices were empowered to levy the assessment by distress: and in 1601 the whole system was codified, though very little addition was made to the statutes then in force. Poor

¹ 2 and 3 P. and M. c. 5.

² See below, p. 359.

rates could be levied, overseers appointed, and the impotent supported; for them, and them only, cottages on the waste might be erected and maintained; in the workhouses, those who were willing to labour should be employed, while those who would not work but preferred to wander idly should be punished. Maintenance for those who cannot work, punishment for those who will not, and work for all who will do it, were the principles of this memorable law.

The heavy charges thus imposed were lightened by the assignment of profits from ecclesiastical jurisdiction: the fines for offences against morality, of which the Courts Christian had cognizance, and for similar malpractices, went towards the relief of the poor and consequent reduction of rates. Such were the fines for swearing and tippling¹, and for not going to church on Sunday, an offence for which the churchwardens might levy a fine of twelve pence². *and other contributions.*

§ 60. The imposition of the heavy rates which this system involved must have been a serious affair, especially to the smaller farmers, who were already in difficulties about paying their way at all. It was not only that they had to face the rise of prices of all sorts of goods, but that many of them were working on the old three-field system, while the better method of production poured large quantities of corn into the market: on the other hand all arable farms had to face the competition of the very profitable use of the land for sheep, and were thus let at very high rents. *Difficulties of small farmers.*

Complaints of this were heard before the middle of the sixteenth century: indeed "rent-enhancing" was the stock instance of covetousness in the sermons of the time. *Enhancing of*

¹ 23 El. c. 10, 2 Jac. I. c. 9, s. 27.

² 1 El. c. 3, § 11.

Rents complained of by Latimer,

Latimer's Lent Sermons in 1549 are full of bitter invectives and of very interesting facts¹. His account of the farm at Thurcaston on which his father had lived as a yeoman at three or four pounds a-year, while the present tenant paid sixteen pounds, and of the difference in the pecuniary position of the two men is most instructive: the one could educate his family and lay by money for his daughters' portions, as well as give to the poor and equip himself for the king's service, though the other was unable to do more than get a starvation livelihood for himself and

and by W. S. who discusses

his children². The same complaint was heard in many other quarters, but it is discussed with the greatest care in the dialogues entitled *A Compendious or brief examination of certaine ordinary Complaints*, which were published

A. D. 1581. in 1581³. They were written by W(illiam) S(tafford), not as was once supposed by Shakspeare, and are of the greatest interest as being a thorough and statesmanlike discussion of the economical and other troubles of the time. It may be doubted whether in the whole range of economic literature there is such an example of a high toned, clear and thorough discussion of the grievances which ordinary men suffered.

the grievances of different classes,

In the first dialogue their grievances are stated by a husbandman, knight, craftsman, and merchant respectively,

¹ "You landlords, you rent raisers, I may say you step-lords, you unnatural lords, you have for your possessions yearly too much. For that here before went for twenty or forty pounds by year (which is an honest portion to be had gratis in one lordship of another man's sweate and labour) now is let for fifty or a hundred pounds a year." *Latimer's Sermons* (Parker Society), p. 99. "Let these terrible examples suffice at this present to teach and admonish the enhancer of rents." *Ibid.* p. 109. See also Thomas Becon, *Catechism*, &c., (Parker Society), 599.

² *Latimer's Sermons*, p. 101.

³ Reprinted in the *Harleian Miscellany*, ix. 139.

while a doctor subsequently succeeds in refuting the current fallacy, in which Latimer and Hales shared, that the mere covetousness of the lords in raising rents was the cause of the general high prices¹. He shews that in very many cases there were old leases or copyhold tenures which precluded the raising of rents, and there were instances of landlords who did not raise the rent even when they had the opportunity of doing so², while one man at least, lowered rents which he had already raised³. The raising of rents was not by any means universal though the rise of prices was felt in commodities of all kinds wherever there was an open market.

The real reason for the decay of tillage,—that sheep-farming was more profitable,—is also stated, and the suggested method for altering this state of things is quite to the point⁴: if taxes were levied on the export of wool, it would no longer be so profitable to raise it, while if the free export of corn was permitted, the arable farmer would have a larger market for his produce, and would find it worth his while to have a greater area under plough. In this way the tendency to turn arable land into sheep-walks would be checked, as the one way of using land would pay as well as the other. The rent of a farm would then be adjusted to what could be fairly raised from tillage: whereas at the time of writing, the rent to be paid for an arable farm was forced up to what the land would be worth if used for grazing.

The real reason why grazing-farms were more profit-

¹ *H. M.* ix. p. 157.

² *H. M.* ix. p. 156.

³ *Latimer's Sermons*, 102.

⁴ Modern Political Economists might have protested against any attempt to alter the direction of national industry; to these men it seemed that the destruction of the yeomen class would be a loss to the effective force of the nation, for which no pecuniary gain could properly compensate.

while de-
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tion.

able than corn-land—even when worked upon the convertible system,—was that so much less labour was required; but this was just the very reason why so much objection was felt, not to all enclosing but, to the turning of arable land into pasture: it is to this, and this only, that W. S. takes exception. He would wish to see the profit on wool heavily taxed, so that the landlords instead of taking farms into their own hands for grazing purposes might let them to farmers, and thus set rural industry in motion. So too although he was well aware that convertible husbandry on enclosed fields was more profitable, he was anxious to see the old system maintained as a security for the preservation of a rural population¹.

One chief interest of the tract lies in its recognition of competition as the principle according to which economical affairs were coming to be determined²; unlike Sir Thomas More and the preachers, this writer does not inveigh against the following of private gain, or one's own commodity, as being a sign of wicked covetousness: nor on the other hand does he fall into the error of the modern *laissez faire* school in supposing that the increase of private gain is necessarily "profitable to the whole commonweale" (101). He tries to find a limit within which private profit is beneficial and holds it for true "that that thing which is profitable to each man by himselfe, so it be not prejudicial to any other, is profitable to the whole commonweale, and not otherwise." Ac-

¹ *H. M.* ix. p. 185.

² "Every man will seeke where most advantage is and they see there is more advantage in grazing and breeding than in husbandry and tillage by a greate deale. And so long as it is so, the pasture shall even incroch upon tillage, for all the laws that ever can be made to the contrary." "And how think ye that this might be remedied then?" "To make the profit of the plough be as good, rate for rate, as the profit of the grasier and sheepemaster is."

ording to his scheme of politics it was desirable for the state so to treat different kinds of industry, that the private interest of the citizens should direct them into the course of conduct that was most for the social well-being of the whole realm.

Whether the maintenance of the yeoman farmers on their small holdings would have been in the long run desirable is one of these speculative questions¹ which we need not pause to discuss, though many in the present day appear to share the opinion of W. S. The suggestions which he made for checking the tendency which was then at work were not carried out, and the change he deprecated continued, until with an increasing population, improved tillage, and a change of markets, the profit of the plough became 'as good rate for rate as that of the grazier', and it was no longer to his flock, but to

Competition Rents

¹ What part would they have taken in the struggles of the seventeenth century? Would England have borne the strain of the French wars?

² This almost seems to have been the case at the time of Harrison's *Description of England*, 1586. The appropriating of copy-holds and common rights seems to have continued (Holinshed, I. 308), but the price of corn was high (341), a good deal was exported by license or smuggled (340), and "more land was under ear than ever before in England" (283), and the complaint of an overstocking with sheep, is introduced as if it were the practice of exceptionally bad landlords (*ibid.* 318, 340), and this was rather for pleasure than for gain (*ibid.* 344). We cannot really reconcile these accounts by lapse of time, but must regard them as the more and less favourable sides of the same picture. W. S. tells us what was commonly said, without making himself wholly responsible for the accuracy of the complaint: he did think there was some cause for complaints, but only reports them in their popular and possibly exaggerated form. Harrison attempts to give an accurate description of what was going on. So far as this is an insufficient explanation of their want of agreement it may perhaps be accounted for by differences of place. Where W. S. wrote we cannot say. Harrison

his corn that the farmer looked for the means to pay his rent. Before the end of the sixteenth century competition had so far come into vogue in the rural districts that rents tended to be determined, not by common calculation of what was reasonable from the probable return of the land, but by the competition of those who made offers as to the terms on which they would take the land¹.

only knew personally the southern counties, and especially Cambridge and Kent.

¹ Two points must be distinguished, (1) the new mode according to which rent was calculated, (2) the larger amount of rent paid: both are included in the current complaints about the enhancing of rent.

Leaving out of account *fixed* rents, which were of course *quit* rents (see above, p. 100), the rents of the tenant farmers (p. 196) were probably arranged by common calculation as to what they could pay and live. With the rise of prices during the sixteenth century they could certainly pay more: so that even according to any method of reasonable calculation, rents would have been raised. The farmer would sell his produce for more money, and therefore he could fairly afford to give his landlord a higher rent.

But when the question arose how much higher, a new difficulty was felt. In the uncertain state of the coinage, and of prices, the difficulty of agreement as to calculation was unusually great; and the rate came to be settled by the *competition* of the many men who wished to have the land. Those who wished to use it for sheep-farming could offer more than others, and they got it: the rent of each farm was the sum which the highest bidder offered to pay; he estimated (1) what gross produce he could obtain from the land and how he could sell it, (2) what amount of that produce would repay him at an ordinary rate of profit for his capital and labour, and therefore (3) what surplus he could offer the landlord as *economic rent*.

Owing to the progress of society, and increase of a population requiring to be fed, the causes which render it possible to pay a larger amount of rent, whether determined by competition or not, have been steadily at work since the sixteenth century, and especially during the present century. The gain which thus accrues to those who have private property in arable land (see above, p. 50) is known as the *unearned increment from land*.

III. CAPITALISTS.

61. Towns and Suburbs. 62. Bullion as a Commodity.
 63. The Mines of America. 64. Depreciation and Re-coinage.
 65. The effects of high prices.

§ 61. We have found that the constant assertions of contemporary writers as to the decay of tillage rest on a misapprehension, and we must exercise a little judgment before we accept the sixteenth century complaints as to the decay of towns. There is evidence of increasing commerce, and much care was taken in making of harbours and roads, and in regard to the paving of streets and other matters of the sort: that this should be found along with a simultaneous decline of both agriculture and industry seems strange, but is not impossible¹. By devoting herself to producing raw wool for export, England could buy foreign manufactures more cheaply than her craftsmen could produce them². But there were other reasons for the state of affairs described

¹ Schanz, *Handelspolitik*, 1. 563—575.

² Armstrong's very instructive *Treatise* (1519) is a vehement demand for the protection and encouragement of English industry: by trading in raw materials our merchants may become rich, but the realm could not be so prosperous as by employing the inhabitants in tillage and manufacture. Starkey (*Dialogue*, p. 173) writes strongly on the same side. The protectionists in our colonies take a very similar line.

A.D. 1535. in the preambles of the statutes of 1535 and 1541. Houses had, it was said, been burned down in Norwich and not rebuilt: waste places were left in many towns which became choked with refuse of all kinds, to the serious risk of the inhabitants' health. There can be no doubt that many of the older towns were positively decaying; but this did not really prove that the whole industry of England was declining, but only that owing to certain social conditions in the older towns, the industry of the country was leaving them and finding a habitat in what were then insignificant villages.

*due to the
migration
of industry*

Since this was the nature of the evil, we need not be surprised at the failure of the first rough and ready remedy which was suggested. The simple method of insisting that the houses should be rebuilt within a certain period, was not probably very effective, for it did not touch the cause which had really been at work. The truth was that the development of industry in these towns was fettered by the restrictions of the craft gild. The ordinances by which they attempted to check competition between members, to limit the number of journeymen or apprentices who were employed, and generally to dictate the terms on which production should be carried on, hampered the enterprising man and kept him from making the most of his stock-in-trade or his capital. Besides, the craftsmen who lived within the boundaries of the towns were compelled to be free of the town, and to work under the jurisdiction of the gild. But the super-selling of special privileges had gone so far that the freedom of many of the cities may have been of little benefit; while the unfree craftsman who did not live actually within the town was not liable to such heavy payments to gild funds, or towards the town rates. It thus came to be a distinct advantage for the craftsmen to settle in

*because of
the competition
and the
restriction
of the gild*

the suburbs rather than within the limits of one of the older towns. Many towns were decaying, not because English industry was declining, but because it was being located in suburbs and villages rather than in the older towns. The rise of such places as Birmingham and Manchester¹ is said to date from this period of the migration of industry to a freer atmosphere.

But not only was the suburban craftsman free from the heavier payments of the gild brother, he was in a position to develop his business in whatever way seemed to him to be profitable. The hours of labour, the number of apprentices or servants he kept, and so forth, were now entirely in his own control. It was the suburban craftsman who could really find occupation for additional capital² in his own business, which he would have been prevented from doing by the regulations of each trade society in a town. From this it followed that the more pushing men, who were saving money and adding to their capital, preferred to establish themselves in suburbs or in villages, rather than in one of the older towns.

That the old towns, and old gilds could not hold their own against such competition was really a matter of course: in Scotland the free towns made a vigorous effort to preserve their dearly bought advantages by stricter regulations, and appeals for assistance from the government, and we read of evasions attempted there, as for example by an outside capitalist entering into partnership with a poor freeman³. In England there

¹ Manchester is singled out as an exceptional example of industry both for linen and cotton manufacture by Roberts, *Treasure of Traffick* (1641), p. 33.

² Large capitalists consequently preferred to be outside the towns. 2 and 3 P. and M. c. 7.

³ *Records of Convention*, I. p. 19. Such partnerships were also

seems to have been comparatively little hindrance¹ objectionable from the point of view of mediaeval morality, as there was no means of determining what share would be *reasonable* for each to claim. Endemann, *Studien*, p. 354.

¹ We hear of a very bitter struggle between the freemen of Newcastle for their ancient privileges, and the craftsmen of the neighbouring villages. The grievances of the unfree craftsmen and others were urged with much force and learning by Ralph Gardiner, who made an earnest appeal to the Protector, and published the evidence by which he supported it in 1655, as *England's Grievances Discovered in Relation to the Coal Trade*. The very curious woodcuts render this work specially interesting. A few cases are worth quoting. *Thomas Histlewood* deposed that by a storm he, in his ship, was "cast ashoar near Tinmouth-Bar, and in great danger of their lives which were on board of the said ship, and was constrained to cast his coals into the sea, and thereby got his ship to Shields, where she lay like a Wreck, the water having free passage in and out. He this deponent got on shoar, and repaired to one Collier, a free carpenter of Newcastle, desiring him to mend his ship and for hastes sake, he would procure thirty or forty of his neighbours, Masters of Ships Carpenters to help him, but the said Free Carpenter replied that he had taken an oath in Newcastle with their Company, neither to work with any Unfree Carpenter, nor to set any on work, by which means, he this Deponent was constrained to patch up his ship with his single Carpenter, and adventure to London to get her upon the stock, where he and his company were in great hazard of their lives and losse of the ship." p. 73. *Gawen Potts* affirmed "That no strangers shippe whatever, though she be in never such great distresse and sinking, must be pylotted into the River by any other seaman than a Freeman of Newcastle. In the Intrim one is sent for (being sixteen miles backward and forward) often either she is lost or driven away by storm." p. 74. Henry Harrison Master of a ship upon his oath said, "that in April 1646 a ship falling into Tinmouth Haven by storm was cast upon the rock near Tinmouth Castle. The Master got ashoar with all expedition, and obtained the present help of an ancient ship carpenter, by name Thomas Cliffe of North Shields, with three of his men to save the said ship from perishing, which ship had been quite lost if the said Master should have run to Newcastle to have agreed with the free Carpenters, whose excessive rates and demands often surmounts the value of the ship in distress; and their tedious-

to the rise of capitalist craftsmen who gradually supplanted the members of the guilds, who though masters of the craft, were workers and laboured themselves along with a restricted number of apprentices. The introduction of this capitalist industry is closely parallel to the change in the rural districts, where the small holdings were being united and let to men who had capital enough to work a large farm on the most remunerative system. In both cases the men with large capital,

*Growth of
Capital
favoured by*

ness in coming and going that distance, that often the Ships in distress are quite lost. The said Cliff and his men saved the ship and got her off, and brought her to the lower end of the North Shields, and laid her upon the sands to mend her. Where the three Carpenters were at work. And Ann the wife of Thomas Cliffe, and Ann Wallace his daughter, standing (to see their servants work) near unto the ship. The Mayor and Burgesses of Newcastle sent *Thomas Rutter* and *John Hall*, two Sergeants with *Thomas Otway*, *Richard Toderick* and other Free Carpenters of Newcastle to *Shields*, to seize upon all the foresaid Workmen, for daring to save any ship from sinking in that River, with command to carry them to prison. The two women seeing their servants trailing away, railed against their evil practices, for which *Thomas Rutter* with a club, by several blows upon *Anne Cliffe's* body and head knockt her down to the ground: the other Sergeant *John Hall*, by several blows with a Rule or Truncheon broke *Anne Wallace* her arme, and then perceiving Souldiers coming from *Tinmouth Castle*, both the said Sergeants fled to *Newcastle* where they were protected from the hand of Justice." p. 81. See also *Cliffe's Petition*.

The excuse for the authorities at Newcastle was that they paid very heavily to the Crown for their freedom, and had a right to the monopoly of the coal trade by means of which they were able to recoup themselves. As coal mining could not migrate to another part of the country they were able to maintain their monopoly longer than most free towns.

It is obvious that such regulations were a great hindrance to industry and trade, and that wherever it was possible for it to migrate, industry deserted the old, and sought out some new centre.

*the discovery
of the
mines of
America.*

unfettered by restrictions, either customary or framed by gilds, had the best chance of succeeding. This was especially true at a time when there was a violent and permanent change in the state of prices, and consequent distortion of all commercial relations, such as was brought about, not only by the breaking down of the social system and opening of new fields for investment, but by the discovery of America and diffusion of large quantities of bullion throughout Europe.

§ 62. To understand the way in which these discoveries came to affect English trade we have to turn our attention to a wider field, and to notice very briefly the state of affairs in Europe with respect to the precious metals.

*Previous
scarcity of
silver,*

It has been often noticed¹ that there was a constant decrease in the quantity of the precious metals in Europe², until the importation of bullion from America began; it is not impossible however that this rather affected convenience of trading than the prices of goods³: coins served as units of comparison of objects whose relative value⁴ was determined by reasonable calculations and not by the quantity of coins they fetched in the market; at any rate there is no sign of a steady fall of prices during the period when the quantity of bullion

¹ Walker, *Money*, 129.

² From the nature of English trade this was apparently less felt in England than in the rest of Europe; cf. Henry of Huntingdon quoted above, p. 135; and the same statement is made for his own time by Fortescue, *Comodyties*.

³ See above, p. 147, note.

⁴ That is their relation for purposes of exchange to other useful goods: only when the utility of goods came to govern exchanges was money taken as a representative of any sort of useful things as therefore pre-eminently the useful (or the *needful*) and as therefore the representative of valuableness.

was steadily decreasing¹: during the last half century of that time there is instead a decided rise, which was probably due to the break-down of the old system of regulation and the introduction of new methods of determining prices and of better opportunities for the investment of hoards.

Though bullion was so scarce, it was practically *which was necessary* for purposes of trading, as the inconvenience of *necessary for trade,* barter is very great; besides, a large portion of the business of the world was formerly carried on at fairs, or by merchants whose visits were irregular, so that it was necessary that transactions should be completed at once. It might not always be possible for a merchant to buy to the full amount of his sales, and under such circumstances it was necessary that the balance should be settled for on the spot. To carry this out would require that each merchant should take about with him a good deal of bullion: but the expense and risk of this was so great as to make any other plan preferable, and we consequently have from a very early period a system of *and system of ex-* exchanges, in order to facilitate the settlement of accounts *changes,* in money without a constant transmission and retransmission of bullion, as well as for purposes of papal taxation and of warfare.

The business in all these cases was assumed to be merely that of conducting exchanges; jurists and canonists argued that when account was taken of the difficulties of carriage, pure silver was pure silver everywhere, and that the chief point to be considered was the different sizes and quality of the silver coins of different countries. The rates of exchange were, in the latter part of the fifteenth century, treated as a matter which could be

¹ The abnormal decrease of bullion during the reign of Edward III. did affect prices. See above, p. 187.

and Money
Fairs.

settled from time to time according to the state of the coinage. At the great fairs at Lyons and subsequently at Besançon by far the larger part of the business done was that of carrying on exchange: on the first day of the fair the various merchants of a certain standing announced the terms on which they were willing to exchange with different countries, and on the second day an authoritative declaration was made of the fair terms of exchange with any foreign country. For this purpose, with the constant fluctuations in all actual coinage, it was necessary to have a unit which should be common to all lands¹ and free from the possibility of depreciation; and everything was reckoned by means of an imaginary unit—*scutus marcharum*—or money of account; so that the form which business took was not that of buying bills, but of exchanging these fictitious coins, made realisable in one town, for quantities of the actual coinage of another country, according to the authoritatively declared rate which took account of the difficulty of transport and of various risks. A *scutus marcharum* was worth in Genoa 67½ soldi of the actual coinage of the place. The question to be settled was what, at this time, shall be paid in Piacenza for a *scutus-marcharum-in-Genoa*?² This was the fair rate of exchange, and the announcement of it was intended to exclude the operations of private speculators³, and to secure a division of the advantage between each of the parties transacting business⁴.

Change of
opinions
about the
value of
money.

But as time went on, instead of trying to calculate a rate at which the sums exchanged should really be

¹ Raphael de Turri, quoted by Endemann, *Studien*, p. 183.

² Endemann, *Studien*, p. 216.

³ That it was not very successful in this direction is a matter of small importance.

⁴ Endemann, p. 225.

equivalent, men recognised that a rate was fair which was settled in open market without any compulsion. This marks the complete departure from the scholastic point of view which denied that bullion could be sold, and insisted that it could only be exchanged; it shews too a neglect of the supposed intrinsic valuableness of bullion, and an understanding of the fact that the value at the fair, of the money of any country, depended on the demand by e.g. merchants who had imported Genoese goods for *scuti-marcharum-in-Genoa*. Besides this, the value of their coinage was affected by the actual supply of bullion in the different countries; in France at one time it was in great requisition on account of the constant wars; in Italy whence the mercenaries came it was from the very same reason very plentiful. Coin was not after this time so much regarded as a commodity which had an intrinsic worth¹—though affected by differences of distance and cost of transport,—but came to be looked on as a commodity whose valuableness-in-each-land depended on special circumstances and commercial relationships affecting the supply and demand. But these special circumstances were subject to constant change, and therefore it was seen that it was fair to take the element of time into consideration in determining the rate of exchange.

¹ The old standpoint was maintained by Gerald Malynes (see below, p. 311), whose *Lex Mercatoria*, published in 1622, but reaching a third edition in 1686, is an extraordinary storehouse of information about the ordinary practice of merchants and traders, while it is an interesting monument of antiquated opinions. The author was willing to admit the Copernican hypothesis, *gratia argumentandi* (p. 46), and had had 4000 lbs. of lead transmuted into mercury by a man who unfortunately died in possession of his secret (p. 179).

and the
worth of
Time.

Effects on
opinions
about
usury.

Influence
of these
changes

The letter of credit bore on its face that it ought to be cashed at a definite date: if it was not so cashed, there might be a real loss from some unforeseen occurrence: and thus it came to be recognised as a justifiable thing to make an agreement for the payment of interest if the letters were not honoured at the specified time¹.

This is a most important point in connexion with the decline of the doctrine of the sinfulness of usury. Time had been regarded as one of the free goods which was given by God to all,—it was neither made nor appropriated by human beings,—it was not theirs to sell: but when men recognised that the value of money depended on relations which were affected by time, it was no longer possible to pass over the value of time. We have already seen that to keep men from engaging in money-lending under the colour of exchanging was impossible, even when the consideration of time was ignored and only a charge for labour was permitted; and the business could from this time onwards be pursued with less of subterfuge. The whole of the conditions on which the objections to usury had been based were now passing away: there was a field for the investment of capital², and the worth of commodities fluctuated so that the loss of time might be the loss of money.

There was then a change going on in the estimate of bullion, which was precisely parallel to that which was taking place in regard to all other commodities: men no

¹ Endemann, *Studien*, p. 136.

² See above, p. 139. The "attorney" in Wilson's *Discourse upon usurie* (1569) distinguishes three possible classes of borrowers—the Beggar, the Poor Householder, and the Rich Merchant; and while insisting on charitable treatment of the others, argues that with the rich merchant "I may deal streightly and aske mine own with gaine, when I deale with him that maketh gaine of my money." p. 41.

longer tried to estimate a reasonable rate, but recognised that competition rates of exchange were fair; and that the variations in offers were due to the different utility of bullion, as affected by special circumstances in each different place. By such institutions as these fairs, dealers in bullion could judge of its utility in different places; and money would undoubtedly flow where it was most wanted either by commercial men or by governments¹. Other things being equal, the direction of the flow of silver came to be determined by the use that could be made of it in each land, and its usefulness in that place was exhibited by the prices declared at the great money fairs. So long as the prices of goods were fixed by calculation, as masses of bullion were hoarded, and rates of exchange were only supposed to have reference to cost of transport, a condition of things existed in which, so far as one can see, no general diffusion of the metals that came from America need have taken place. Robbery or conquest would have been the only means by which bullion would have passed from the hands of their first possessors: enormous hoards might have existed in Spain with little effect on prices there, and next to none on commerce elsewhere. Even as it was, the using of large masses of gold and silver for the decoration of shrines and for similar devout objects, must have made a very great diminution in the quantity of the precious metals which passed through Spain into the rest of Europe.

*on the
distribu-
tion of
American
Silver.*

§ 63. The general rise of prices was partly due to causes that have been noticed above², and that were quite independent of the influx of the precious metals;

¹ From one point of view the meaning of the Mercantile System was to adjust the commercial flow of bullion so as to provide plenty for the government. See below, p. 313.

² See p. 149.

*The import
of silver*

but simply owing to the circumstance, that from social changes, silver and gold were commodities that had come to be of more practical use. They were therefore brought out of treasuries into actual use; at the same time we must recognise that the long continued rise of prices which went on in England till about the time of the Great Rebellion, was due to the influx of precious metals from America.

*from the
West
Indies,*

and Potosi.

*Applica-
tion and
distribu-
tion of
silver*

The first visitors to the West Indian islands and the American continents were astonished at the amount of gold and silver which was worn as ornament by the savages: they came too hastily to the conclusion that the quantity which the land contained must be enormous. They did not know that the natives carried about their entire hoards in the form of ornaments, or that their readiness to part with their gold for new fashioned trinkets, only shewed that hawkbells were a novelty, not that gold was very plentiful. The most terrible tyrannies failed to extract a large regular supply from these sources: and even after the conquest of Mexico and of Peru the silver that was sent to Europe was only the spoil of conquered realms, and not a supply that could be constantly kept up. It was after 1545, when the mines of Potosi were discovered, that the regular flow of the precious metals to Europe began; at the same time, the interest in mining speculation in Europe received an impetus, and the quantity of bullion which could be used as coins was enormously increased.

A great deal of the bullion brought from America was undoubtedly devoted to other purposes: immense quantities were used in the manufacture of silver plate: but a still larger amount passed, through the hands of Portuguese and Dutch merchants, to Hindoostan and the East. The new route by the Cape of Good Hope

had given a great incentive to the Indian trade¹, but it still took its old form—the import of silk and spices and export of silver: in spite however of these methods of consumption and of the slower but constant waste by wear and tear, the increase of the quantity of the precious metals in actual use as money was unexampled². It cannot be a matter of surprise that for many subsequent years the question as to the means by which any of the countries, or monarchs, of Europe should have a share *in Europe*. of this enormous mass of bullion, was a matter of the very keenest interest³.

It is generally agreed that England was somewhat

¹ Charles V. avowedly cultivated an East Indian Trade rather than allow the precious metals to get into the hands of other European monarchs. See below, p. 306.

² A careful discussion of various estimates of the quantities of gold and silver obtained from the New World has been given by Humboldt (*Essai politique*, IV. 226). The results of Humboldt's enquiry has been summarised by Jacobs, who places the average annual importation of treasure from 1492—1521 at £52,000, from 1521—1545 at £630,000, and during the rest of the century at £280,000. To estimate the difference it made in European prices is however a very different matter: the attempt made by Mr Jacobs (*History of the Precious Metals*, cc. XVIII. and XIX.), is not so successful as to deserve special attention. The quantity of coinage in Europe in 1490 is wholly unknown, though Mr Jacobs hazards an approximation; his estimates of the quantity used in manufacture and sent to India are, as he allows, "in the absence of precise data," quite hypothetical; his conclusion that before 1545 the mass of bullion in Europe had increased not quite 50 per cent. on the amount in 1490, and had in 1599 quadrupled is perhaps as good a guess as any other—but not obviously any better. According to Roscher, the quantity of bullion which got into circulation before 1545 was quite inconsiderable.

³ On the varying rate at which the bullion was diffused through Europe and to different parts of the same country, see T. Cliffe Leslie, *Essays*.

*Effects in
England*

on prices,

*can be
generally
estimated,*

behind other countries in obtaining any considerable share of the spoils of the new world: the foreign wars of Henry VIII. led to the expenditure abroad of the treasure his father had collected; and the long controversy about the divorce strained the commercial relations between England and the Flemish dominions of the Spanish king. Wolsey had incurred the indignation of the commercial classes by his marked preference for a French alliance. All such circumstances must have prevented that free flow of bullion to England, which might have been otherwise counted on, from the long-continued commercial balance in her favour. With the reign of Mary, however, the connexion with Spain was strengthened; and before the long-delayed formal breach with Elizabeth actually occurred, English communications with a great part of Europe had become less vulnerable than they had been before the immigration of Flemish artisans in 1569 rendered trade with the manufacturers of the Netherlands less necessary for English prosperity. During the latter half of the sixteenth century accordingly, the increase of bullion in the country caused a steady rise of prices; while the depreciation of the currency in the last years of Henry VIII., and under Somerset and Northumberland, exaggerated the monetary disturbance, by making the rise of nominal prices much greater than it need have been. The stimulating effects on trade of changes like these will be brought out in discussing the mercantile system¹: the immediate results and the hardships caused, we may gather from contemporary evidence. But before passing to these matters, we may briefly turn again to the question of the amount of the changes. We have not such accurate data as to the addition of bullion and its consump-

¹ See below, p. 308.

tion as to be able to make any precise estimate of the effects of the new importations in altering the value of money, though the diagram in Appendix IV. exhibits the general result with great clearness. It might however be possible to reach some conclusion from the other side, and by following Adam Smith in taking corn as on the average a fair representative of desired commodities, to estimate the amount of change in general prices, from the change in this typical instance: unfortunately we have not sufficient data to make this estimate at all satisfactory. In the third Appendix to Macpherson's *Annals of Commerce* there is an excellent list of prices as incidentally mentioned in various histories and documents: but there are two causes which render it difficult to base any argument on them without a careful analysis of each instance. Many of the prices are mentioned by chroniclers because they were extraordinarily high or low, while what we wish to know is the average price in successive periods; thus in 1401 wheat was sold at 16s. the quarter, though the ordinary price about that time was perhaps 4s. or 5s. Besides this, the means of communication were so imperfect that very different prices might be charged in different parts of the country: we have a quotation in 1390 of 16s. 8d. at Leicester and of 10s. in London. And farther, it has been seen above¹ that corn did not apparently feel the rise of prices so much as other commodities². But while making all these allowances the

*but with
no pre-
cision, even
in*

*the quotations of the
price of
corn,*

¹ See above, p. 258.

² This we might certainly expect to be the case: articles of export would get the benefit of the rise of prices in Flanders, and wool would become dearer: imported articles would also be affected by the higher prices in the lands where the stream of silver first flowed. The rise in wool and consequently cloth, would lead to a rise of wages: and corn would be almost the last article to feel the change which was due to the real fall in the value of silver.

state of affairs is still very remarkable. From 1490 to 1510 wheat did not apparently exceed 4s. nor oats 2s.¹ per quarter: the next entries are all of famine prices, 12s. and even £1. But there are several entries in 1550—1560, from which it appears that the usual price was 8s.—this be it observed before the reformation of the coinage: in 1592, the statute which regulated the exportation of corn fixed £1 as the limit at which exportation should cease, or as a fairly low price—that is to say the famine price of 1512 was a moderate price in 1590: nor did the steady increase stop with the century. Each decade shows a farther rise of the average; £1. 9s. is the lowest Lady-day price mentioned at Windsor for the quarter of nine bushels between 1600 and 1610: £1. 15s. is the lowest quotation at the same place between 1610 and 1620, while the average is over £2; and there is again a slight increase in the average price during the next decade. It can be no matter of surprise that Charles I. was constantly in pecuniary difficulties, when every estimate was falsified by this constant rise of prices. If we carried the matter further we should find that the price continued to rise and reached its highest point during the decade from 1640 to 1650, which was marked by the Civil War, while it shewed a tendency to decrease during the succeeding century².

Though these facts indicate the course of the change very remarkably, there is a considerable want of precision in the data: we perhaps get the most definite points of comparison between the statutes of 1554, 1592,

¹ If this is an after-harvest quotation it gives no safe means of comparison with the later quotations.

² There is an excellent account of these variations in the *Three Tracts on Corn Laws and Corn Trade* (1776), written by Charles Smith.

and 1663, by which the prices at which export might take place were fixed at 6s. 8d., 20s., and 40s. respectively. Without making allowance for the depreciated state of the currency in 1554, we may say that the price of corn in England increased five or six-fold during the time when silver was flowing so rapidly from the New World.

§ 64. In the preceding section constant reference has been made to the existence of a depreciated currency ^{*The alteration of the coinage.*} as a disturbing element, which confuses our calculations of the change in the value of the precious metals. The management of the coinage had been long considered one of the royal prerogatives, in many cases the kings had levied a very considerable tax on the use of coins in the form of seigniorage. Edward IV. had taken as much as 10 per cent. in this way. So long as there was an insufficient supply of money in the realm the good and clipped coins circulated together, and there was a constant temptation for the kings to issue coins of about the size of the clipped coins of their predecessor. We thus ^{*by reducing the size of the penny*} find the weight of the silver penny diminishing from 20½ grs. troy in 1299 to 20 in 1346, 18 in 1351, and 12 in 1464. Henry VIII. brought it down to 10½ and 10 before the end of his reign, while his son's advisers reduced it to 8. The final change was made by Elizabeth at the end of her reign, and from that time the weight remained at 7½¹.

For most of these changes there was some excuse; but the same can hardly be said of the use of his royal

¹ As the fineness remains the same we may notice that for purposes of rough calculation, the penny before 1300 contained three times the pure silver, that between 1350 and 1460 2½ times the pure silver, and that between 1464 and 1527, 1½ times the pure silver at which the penny is rated at the present day. See Diagram 1. in Appendix IV.

*and coin-
ing silver
that was
less pure.*

*Good new
coins*

*driven out
by bad.*

Difficulty

prerogative made by Henry VIII. in altering the standard of fineness which had been maintained in England from time immemorial. Instead of coining silver, 12 ozs. of which contained 11 ozs. 2 dwt. fine, and 18 dwt. of alloy, he used metal alloyed in the proportions of 10 to 2 (in 1543), 6 to 6 (in 1545), and even 4 to 8 (in 1547). The advisers of his son followed in the same evil paths, and reached the lowest depth of degradation by issuing in 1552 coins of a metal containing 3 ounces fine silver to 9 ounces alloy. They did attempt to take a better course in the last years of his reign, and coins were issued of nearly the ancient fineness; while Mary kept to the same standard (11 fine to 1 oz. alloy); but there was so much debased currency in circulation—English, foreign and more especially Irish—that the new issues produced no good result. They were simply melted down and the fine metal sold for the old depreciated coins which still circulated; or else the new coins were exported by way of exchange. "The bad money drove out the good, but the good money could not drive out the bad." The expedient of calling down the bad money to its true value was adopted by Edward in a proclamation in April 1551; and by this, together with another in August, the value of testoons was reduced from twelve to six pence, and that of groats in the same proportion¹. But this plan did not answer by itself: in order to force the good money into free circulation it was first necessary to call the bad money in.

There were however great difficulties in the way, and nothing speaks more highly for the boldness of Queen Elizabeth than the determination with which she set about this task immediately after coming to the throne. Suggestions exist in her own handwriting as well as in that

¹ Ruding, *Annals*, I. 319, 321.

of the Controller of the Mint¹ as to the best course to be adopted for substituting new coinage for the debased currency which was in circulation.

One difficulty was to discover the actual amount of depreciated currency and consequent cost at which it could be replaced. Calculations on this point appear to have engaged King Edward's Council as early as 1551², and Mr Froude gives a curious proposal for analysing the coin received by the butchers—as if for deciding a bet—which, whether acted on or not, illustrates the difficulty that had to be faced. The amount of base coinage was calculated at £1,200,000, which was only worth £800,000; but in all probability the extent of depreciation was not so great as supposed.

A farther difficulty was the expense of the undertaking: the mint, instead of paying its own expenses by a fair seigniorage, or actually yielding a revenue by a heavy one, was to be worked at the Queen's expense, while at the same time the dislocation of prices might affect the crown revenue seriously. Arrangements were however made by Sir Thomas Gresham with Daniel Wolstat, of Antwerp, who undertook the work in consideration of receiving about five per cent. on the value of the reissued coinage: when the contractor had obtained sureties to the amount of £30,000, for his honest behaviour, the work was ready to begin³.

But the hardest task of all was to satisfy the people of the advantages of a very unpopular step. To have a debased coinage was bad enough, but it had been called down already in the effort to get rid of it, and prices had

¹ These are mentioned, and in part given by Mr Froude, *History of England*, vii. p. 2 f.

² Ruding, i. 313.

³ J. W. Burgon, *Life of Sir T. Gresham*, i. 354.

promptly risen : to call it down still farther was necessary, and the same result might be apprehended. On September 27th a proclamation was issued calling down the testoons, then rated at sixpence, to fourpence half-penny, and some of the worst sort still farther, while other coins were called down in the like proportion. For bad money paid into the mint, the Queen promised to give good money, within twenty days, herself bearing the expense of recoinage, but making the people who held sums of the base money bear the loss between its nominal and its real value. In a second proclamation she tried to allay the discontent which this farther interference with prices may have roused, by explaining the evils of a depreciated currency¹; and she endeavoured, not only by regulations but by the promptness of her action, to exclude any serious rise of prices, or any ex-

successfully met. port of the coinage of the country. Her vigour was rewarded, for the business was accomplished and an unexpected profit of fourteen thousand pounds made in the course of the year : either the quantity of the base money was not so great or its quality not so bad as had been estimated. But though thus unexpectedly successful, the predicted benefits did not appear to follow from the recoinage, for the steady influx of silver from the new world prevented prices from settling down at their old level.

Effects on prices

§ 65. The combined effects of the depreciation of the coinage and of the sudden fall in the value of silver were most startling ; both brought about a rise of prices, but the two causes acted with very different degrees of rapidity and were followed by effects that differed in kind.

Little more than twenty years elapsed between the first depreciation of the old standard of fineness and its

¹ Quoted at length by Ruding, I. 334.

restoration under Elizabeth; but during that time the rise of prices was most alarming, and to most people inexplicable; on the other hand the fall in the value of silver continued for more than three-quarters of a century, and its effect on prices was so gradual that it was only by looking back over a period of years that men saw clearly that it was steadily going on: a rise of two per cent. per annum would be scarcely noticeable on ordinary retail transactions, and yet this would admit of prices quadrupling within the assigned period.

The depreciation of the coinage need not perhaps have produced very serious results if the realm had been entirely isolated from all other lands; at least the effects would not have been sensibly different from those of a fall in the value of silver. In both cases prices all round would rise; in both cases those who were dealers, and could adapt themselves most readily to the change, would be the class who were least affected: debtors of all kinds, and every man in so far as he was indebted, would gain, and those to whom money was due would be worse off; especially would this be the case with those who had regular money incomes derived from land or any other source¹. The knight in the dialogue already referred to

¹ "Knight. What sorte is that which yee said should have greater losse hereby, than these men had profit?

Doctor. It is all noblemen, gentlemen, or other that live either by a stinted rent or stypend. * * Therefore gentlemen doe study so much the increase of their lands and enhaunsing of their rentes, and to take searves and pastures to their own use, as yee see they doe: and all to seeke to maintain their countenances as their predecessors did, and yet they came shorte therein. * * The other sorte be even serving men and men of warre, that having but their olde stinted wages, cannot finde therewith as they might aforetime without rasia or spolie." Stafford, *Brief Conceit in Harl. Misc.* 1x. p. 173.

*temporary
gain;*

shows most clearly how much his class suffered, and how strong was the temptation for landlords to do their best to crush copyholders and work their land on the most profitable system. Had England been entirely isolated, the Crown also would have gained immediately; indeed it was through the temptation of securing this gain that the whole change was begun¹. By coining base money the king could discharge his debts of all kinds at a trifling cost to himself: it is true that his receipts from the royal domains and the annual value of the royal income would be diminished in so far as it came from fixed sources: but this was not obvious, perhaps, until it had been demonstrated by sad experience; or it may have been supposed that it would be possible to recoup all such losses from variable sources of revenue.

*the permanent
loss
to the
Crown,*

*increased
by trade
relations
with other
lands.*

The immediate gain to the Crown was certain, the ultimate loss appeared problematical; but since England was *not* isolated, the ultimate loss was far greater than would have otherwise been the case. Since base coinage was legal tender in England, it became a profitable trade for merchants to manufacture base coin abroad and import it into England in exchange for commodities; no

¹ Nicolas Oresme speaks strongly against such gain from the point of view of an ecclesiastic in 1363. "In hoc igitur quod ipse (princeps) supra pecuniam recipit incrementum, contra et praeter naturalem ipsius usum, ipsa adquisitio par est ipsi usurae et peior quam usura: eo quod est minus voluntaria vel magis contra voluntatem subditorum, et absque hoc possit eis proficere, et praeter necessitatem penitus. Et quoniam lucrum foeneratoris non tantum excedit nec ita prejudiciabile generaliter multis, sicut istud quod contra et supra totam communitatem impositum, non minus tyrannice quam dolose ita ut sit mihi dubium, an potius debeat dici violenta praedatio vel actio fraudulenta," *de mutatione monetarum*, c. xv. But mediaeval morality was not highly esteemed by the advisers of Edward VI.

other foreign goods could be so profitably brought into England, and thus all foreign imported commodities rose in price¹. It appears that at that time the manufacture of arms and ammunition was not carried on in this country to such an extent that the Crown could dispense with foreign supplies; and the munitions for Somerset's unfortunate wars in Scotland were bought at most ruinous terms; so that eventually the Crown was the greatest sufferer by the continued circulation of a depreciated currency.

Thus all foreign goods rose in price, but foreign goods had come to be in general demand among all classes of society, and as they did not easily relinquish their habits, each class tried to recoup itself by raising its own demands. The general increase of prices all round which was due to the combined depreciation and fall of value rendered it difficult to see whence the change had started²: the common opinion that it was due to the landowners in enclosing may have had this small element of truth in it, that the landowning classes were the chief consumers—after the rich burgesses—of foreign goods, and therefore the people who were under the strongest temptation to recoup themselves at the first opportunity that offered.

The great renovation of the coinage under Elizabeth seems to have had the effect of stopping this importation of base metal. This would both raise the prices of English goods abroad, and allow of the reduction of the prices of imported commodities in England. It was

¹ *Brief Concoite, Harleian Misc.* IX. 172, 181.

² Speculators would undoubtedly have a good time of it, as the old laws were out of date; see the curious account of dealings in the corn trade given by Harrison, in Holinshed, p. 342, and compare Bacon, *Early Writings*, p. 253.

Loss to consumers of foreign goods,

and general rise of prices.

The recoinage raised the prices of exports abroad,

perhaps at this juncture that the great profitableness of grazing as compared with corn-growing was most strongly felt; with the calling in of the base coin, English goods would for the first time feel the effects of the influx of silver into Europe, which had been going on steadily for the preceding fifteen years¹. That the graziers were rich all the men of the time agreed, and under the circumstances it cannot be a matter for doubt. This too accounts for the fact which gave so much surprise at the time, that though the coinage was improved, prices did not return to the old figure, but kept at the rate they had reached during the time of the depreciation. This was ascribed², and was to some small extent due to the fact that contracts had been made, e.g. rents had been run up, and landlords would not lower them; but the chief cause was that during the period of depreciation the value of silver in Europe had declined: the restored new coins were made of the ancient fineness, but they could not be made of the ancient value. To bring them to this it would have been necessary to make them of greatly increased size; but during the period of alteration there had been a double decline, both in the pureness of metal and size of the coins; and the reissued coins were only of the reduced weight—8 grs.—though of the old fineness. The reduction of weight since 1530, would of itself account for a considerable rise of prices since that time³.

*but general
prices did
not return
to former
level.*

¹ As the depreciation (1537) had begun before the discovery of Potosi (1545), foreign payments to England would be made in base metal, till 1560; with the regeneration of the coinage foreign payments for English goods would be made in silver, or in foreign goods of the worth at which silver stood abroad. The rise of prices of English exports and chiefly of wool must have been very rapid.

² *Briefe Conceits*, in *Harleian Misc.* ix. p. 183.

³ Indeed for very nearly the whole change till 1581, as Stafford

The permanent effects of the greater plentifulness of silver chiefly arose from the fact that the precious metals are the most convenient commodity for hoarding. All other forms of wealth are much more perishable: corn moulders, and so does any other kind of produce, even if it were not cumbrous from its bulk. When bullion became more plentiful and passed more readily from hand to hand a greater number of people could store up a hoard, and eventually use it as capital in production or trading. Within recent years a great deal of attention has been directed to increasing the effective desire of accumulation among the working classes by giving them opportunities for saving: it was the opportunity for saving afforded by the influx of bullion that created the English middle classes. Harrison tells us of the scarcity of silver among farmers in the early part of the sixteenth century: if the poorer copyholders were still in difficulties about obtaining money at its close, the leaseholders were in a position in which they could not only pay large rents, but lay by considerable sums¹.

Industrial effects of the large importation of silver

in the saving of hoards

estimated that those who had £100 formerly would require £300 to live in the same style, and coins diminished in size in the proportion of 12 to 8. *Op. cit.* p. 173.

¹ "They were scarce able to live and paie their rents at their daies, without selling of a cow or a horse, or more, although they paid but foure pounds at the vttermost by the yeare. Such also was their pouertie that if some one od farmer had beene at the alehouse, a thinge greatly used in those daies, amongst six or seven of his neighbours, and there in a brauerie to shew what store he had, did cast down his purse, and therein a noble or six shillings in silver vnto them (for few such men cared for gold bicause it was not so readie payment, and they were oft inforced to give a penie for the exchange of an angell) it was verie likelie that all the rest could not laie down so much against it; whereas in my time although peradventure foure pounds of old rente be improved to ffortie, fiftie, or a hundred pounds, yet will the farmer * * think

of a very
imperish-
able com-
modity

to be used
as capital;

and
consequent
increase of
wealth,

The existence of credit has made such a change in our manner of saving, through banks, instead of in hoards, that we have almost forgotten that a material which we can keep without loss from decay is the first requisite for saving. How strongly this was felt in earlier times we have already seen in discussing the *Libell of English Policye*¹: we can trace it too in Stafford's constant denunciation of "unthrifty" wares. It is undoubtedly the case that a rise of nominal prices and fall of the value of bullion favours the mercantile classes², and gives a stimulus to industrial activity, at the expense of *rentiers* of all kinds: but besides this effect, a special result at that time was the increase of opportunities for saving. The social changes which have been already described gave much more scope for the productive employment of these hoards than had been afforded by the customs of the manors or the regulations of the guilds, and the new facilities for saving encouraged the rapid growth of capital, and of a capitalist class.

This, combined with the social changes which have been already noted, opened the way for an extraordinary increase of wealth: the luxury of all classes, which W. S. deplores, and in which Harrison exults, may be taken as a conclusive proof that there had not been the general decline of tillage and industry which was so commonly alleged: the nation continued to prosper. It could also afford an increasing amount of *unproductive con-*
his gaines verie small toward the end of his terme, if he have not six or seven years rent lying by him, therewith to purchas a new lease." Harrison's *Description of England* in Holinshed's *Chronicles*, i. p. 317.

¹ See above, p. 235.

² See the discussion of this point by W. S. Walker, *Money*, p. 176, also p. 308 below. He compares the opinions of Alison, Hume and others.

sumption,—that is to say of expenditure on wares which were merely used for display, and not employed in actually carrying on work. Bullion might have been stored for future use either by individuals or the queen; foreign cloth or corn might have clad or supported the labourer at his work; but during the reign of Elizabeth there was a universal demand for ‘unthrifty wares which were merely ornamental or merely luxurious,’ not (in the popular sense of the word) ‘useful.’ But yet it cannot be said that, despite this unthriftiness the means of producing more wealth were being diminished. By the supply of bullion, it was possible to make more provision for maintaining labour than could be done by the most constant care in reducing unproductive consumption to a minimum: those who were saving silver, could indulge themselves by wearing fine instead of coarse cloth, and use of pewter instead of wooden spoons.

*evidenced
by unpro-
ductive
consump-
tion.*

We can perhaps see from incidental remarks in Harrison’s *Description* that industry was taking more and more of the capitalist form: the complaints which he makes of goods ‘commonly made and sold’ are exactly those which we hear in the present day, and the defects are generally regarded at present as the results of competition between capitalists. The evils of the small production, where each craftsman had his own stock-in-trade, and where prices were regulated, may have been quite as great or perhaps much greater,—at any rate they were different. We can see that they checked the development of industry and expansion of trade, but the men of the time would not have regarded the latter result as necessarily baneful¹; and at any rate these

*Defects of
new
régime.*

¹ The great anxiety of contemporary writers is not as to the extent of trade, but as to the nature of the exports and imports respectively. It was thought undesirable that our “thrifty wares”

effects were less obvious to contemporaries than they are to us. Harrison complains that, though artificers were never so clever before, or articles so well finished, goods were unsubstantial and wore badly, and that the wares, hastily put together and made to sell, were "bungled up" by men who had a "barbarous or slavish desire to turn a penny, and by ridding their work to make speedy utterance of their wares¹." But how strangely had the world moved since the days when the attempted regulation of prices and industry was in full force, and competition was practically unknown, or if known condemned.

should go out of the kingdom in exchange for articles of unproductive consumption. Instances of this feeling have already been noted (pp. 183, 237). There is a curious case which W. S. recounts with commendation, of the bailiff of Carnarvon who would not let the townsmen exchange their goods for the apples that were brought by a French ship (*H. M.* ix. p. 168). In Starkey's *Dialogue* (pp. 80, 93, 155) the import of wine in exchange for substantial raw materials is spoken of as a serious danger which demanded government interference. In the same spirit Malynes asserted that the practice of selling our commodities too cheap, and buying foreign commodities too dear, or "overbalancing of commodities" was causing a decrease of national wealth. See below, p. 312. *Lex Mercatoria* (1622), book 1. ch. 5, pp. 45, 48.

¹ Harrison, in Holinshed, I. p. 276.

V.

NATIONAL AMBITION.

I.

MERCANTILE EMPIRICISM.

- | | | |
|-----------------------|------------------------------------|-----------|
| 66. Balance of Power. | 67. Power and Treasure. | 68. Money |
| and Trade. | 69. Patents : their use and abuse. | 70. Char- |
| tered Companies. | | |

§ 66. FROM the accession of the Tudors we cease *English* to hear of any attempts on the part of English Kings *policy* to acquire great continental possessions : not that they were less powerful than their predecessors, nor certainly that they were less ambitious, but because their ambition took a new form. The discovery of the New World had opened up vast realms, in which a footing was much more easily obtained than in any of the Christian kingdoms ; and the possession of which would give a considerable accession of power. The English Kings did not however renounce the attempt to obtain a position of great importance within Europe itself, but they hoped to have, not so much great power, as great influence. It might be feasible to exercise a practical sway over the

affairs of Europe, by holding the balance between rival powers. In internal politics the same discovery has been made; for very small parties are sometimes able to further their ends, through the value of their votes to either side, when parties are of almost equal strength. It was in the sixteenth century that English politicians first realised the importance of their position, as holding the balance between France and Spain. The foreign policy of England took this form during the reign of Henry VIII.,¹ though it is not till the time of Elizabeth that we first meet with the phrase "balance of power," which has since come into such general use, not only in this country, but throughout Europe.

during the
rivalry of
France
and Spain

The successful revival of France during the latter part of the fifteenth century, together with the consolidation of the Spanish Monarchy, and accession of Charles to the Imperial dignity, had given to two ruling houses an importance with which no other monarchs could vie, and they naturally enough competed with each other for a real supremacy in Europe. The credit of grasping the importance to England of this state of affairs, may perhaps be assigned to Wolsey; and to his mind it was a matter of great importance not only for his native land, but for the Roman Church as well. The papal influence was seriously threatened by the overweening power of these rival rulers, and the Pope was hardly strong enough to hold the balance between them: but a close alliance between England and the Papacy would enable the powers thus united to dictate to Europe. All Wolsey's planning for reform,

¹ On the connexion between the commercial and political theories consult Baron v. Heyking's admirable *Geschichte der Handelsbilanztheorie*.

and his eagerness for the granting of the divorce may be connected with this general scheme of policy.

Much of the vacillation about foreign affairs, which ^{was on the whole dictated by} was shewn by Henry VIII. and Elizabeth, was due to the same cause. They did not care to take the part, ^{a desire} which Cromwell and the extreme party desired, and place themselves at the head of the Protestants of Europe: to have done so, would have been to abdicate their independent position, and to unite the rival Romanist powers in hostility to themselves. While Elizabeth was forced by her weakness to play off her powerful neighbours against each other, King James was inclined, by a sense of the strength of his position, and his gain if he played it successfully, to try the same game. As King of Great Britain he occupied a position which no monarch had held for seven hundred years—if then: his want of determination, and undignified personality, prevented him from carrying out his aims; but his aims were for the most part wise. When the troubles of the Civil War and Military Despotism were at an end, the same balancing course was pursued with utter recklessness by Charles II., though it was now between France, and Holland that the rivalry for supremacy—not merely in Europe, but throughout the commercial world—was raging.

The rival powers were in the balance, and England ^{to hold the balance between them.} was, according to Camden¹, the tongue, not a passive tongue that announced the relative position of the powers, but an active member that decided it. Partly from the well-marked nature of its boundaries, and

¹ "And true it was which one hath written, that France and Spain are as it were the Scales in the Balance of Europe, and England the Tongue or the Holder of the Balance." Camden, *Annals*, p. 223.

*National
Conscious-
ness of the
English*

partly from the policy of several of its kings, the English people had come to be consolidated into one nation with a much closer union of common sympathy than existed among the various classes in other lands at that time. They had too, a long-continued common history which was a record of the gradual growth of many important institutions, of long-continued wars with France, and of commercial rivalry with the men of the Emperor. These elements had resulted in the development of a National Consciousness, and the desire to be great as a nation,—not the cruder ambition of ruling over many lands, but the loftier aim of so using the resources of Britain, that the English King should be able to sway the affairs of the great continental monarchies, and thus attain to a practical sovereignty of a most extensive character.

*and
growth
of other
national-
ities.*

To this changed condition of affairs, the Reformation contributed in no small degree: that struggle marked the rise of nationalities on the continent of Europe. Till then, the various peoples were parts of a united if not harmonious Christendom: their common enemies were in the East; their internal disputes did not greatly differ from the private wars of rival barons, except in the scale on which they were carried on. It is true that the consciousness of a national life had been growing in many lands,—in France under Louis XI. and in Spain with the successes of Ferdinand,—and that the cosmopolitan authority of the Emperor, or of the Pope, was far less effective than it had once been. But it is with the Reformation that there is a real disruption of Christendom: the revolt of the northern nations, and the jealousies of the Romanist powers, rendered a new political grouping inevitable, and favoured the internal consolidation of monarchies which were brought face to face in opposition to each other. The fact

that England reasserted her old independence,—while the great continental powers made themselves the champions of the papal assumptions,—contributed not a little to the English antagonism to foreigners and sense of brotherhood, despite their differences, among themselves. Conscious of a common nationality, realising the possibilities of their national position between the rival powers, and ambitious for national glory, the Englishmen of the time set themselves to consider how they might most effectively accomplish these great aims.

§ 67. Closely connected with this new national ambition was a desire for the increase of wealth, as a source of power: from the time of Aristotle¹ the connexion between the two had been noted, as well as the dangers of a State where the political power was diffused and the wealth concentrated in a few hands²: but the changes that affected the common estimate of wealth and created a general desire of wealth, had rendered wealth more essential for government than in preceding centuries. On the continent, the employment of great armies of mercenaries had come into fashion; and when the obligation of personal service entirely died out, the calls on the royal purse had become heavier. The magnificent pageantry of the fourteenth century was carried

Close connexion between Wealth and Power

¹ *Politics*, III. c. 9, §§ 4, 5.

² The connexion between wealth and authority is the main subject of Harrington's *Oceana*. He maintains that the various kinds of government exist according as one man, as a few, or as many have the balance of wealth (especially of landed property) in their hands: that the relations between a country and each of its dependencies are due to the balance of wealth between the two; and that when the balance of wealth is ignored and e.g. one man governs, while the land is held by many, it is an unnatural and therefore a violent tyranny. In the time of William III. much anxiety was felt about the transference of influence from the landed to the moneyed interest.

on in subsequent reigns, and the diplomatic relations with foreign courts involved large expenses in the form of presents. If we compare the reigns of the first and the last Henry we should say that in the one case treasure was needed for emergencies, while in the other it was constantly required for the ordinary expenses of government.

*in any one
country,*

Under these circumstances no government could be considered strong, either at home or abroad, unless it rested on a broad foundation of wealth. The Tudor dynasty gives us an admirable case in point: Henry VII. so far succeeded in his attacks on the nobility, and in adding to the possessions of the Crown, as to make its authority practically irresistible, and to break down the position of the old families entirely. From similar reasons the distribution of the Church lands in the sixteenth century rendered the Crown less preeminent, but the failure of Charles I. may be largely ascribed to financial embarrassments due to the influx of precious metals. If this was the case within a realm, it was

*and among
different
nations.*

much more strikingly true of the relations of different countries to one another: in any struggle the king with the larger resources was able to hold out longer than his antagonist, and generally to display greater power. From this point of view it came to be a problem of the first importance to render the government rich, so that it might be powerful and influential.

*Wealth
and other
conditions
of power.*

It would be a mistake to say that in thus striving for riches the statesmen of the time ignored other elements of strength: especially the necessity of providing conditions for the rearing of a vigorous population was kept prominently in view: and the excellence of shipping as a training school for the English navy was not forgotten. Of these matters we shall have to speak presently: but

at the same time, it was obvious that the kind of wealth which was most generally available for all purposes of government was treasure; and the chief problem for statesmen who wished to maintain the power of a country was how they might increase the treasure in the hands of the government.

The *Republique* of Jean Bodin was one of the most noticeable treatises on statecraft produced in the sixteenth century: it was 'Englished' in the time of James I. In it we find a discussion of the various means by which monarchs might increase their riches. Chief among them was the management of the domain lands, and in Germany in particular this was, till almost the present century, the principal care in regard to finance¹. The gains obtained by war² and the tribute paid by dependencies or allies were also of importance, while benevolences form the third source of income. What strikes us as

*Means of
procuring
riches, and*

¹ J. R. Seeley, *Life of Stein*, I. 48, 143; also Roscher on Cameralistic Science in *Geschichte der Nat. Oek.* I. 219.

² That this was not trifling in Elizabeth's time may be seen from the following estimate made by John Evelyn, *Navigation and Commerce, their original and Progress*, p. 74.

"With an handful of these comparatively she defeated the Invincible Armada in LXXXVIII encountered and took Gallions, and other vessels of prodigious strength and bulk. * * * Gro-tius, speaking of this action [at Cales] tells us that the Wealth gotten there by the Earl of Essex was never anywhere parallel'd with the like Naval Success. * * To these we may number the Trophies won by particular Adventurers: Sir Francis Drake, having with fou Ships onely taken from the Spaniard a Million and 189200 Ducats in one Expedition, Anno 1587, in a single bottom 15,000 Pezos of the most refined Gold? * * John Oxenham * * at the Islands of Pearls 60000 *l.* weight of Massie-Gold, and 200000 in Silver! though lost in his return with it by the perfidy of his Associates: such an Exploit is hardly to be parallel'd in any story."

most peculiar is the recognition of trading as a means of obtaining revenue. Bodin thought it better that this should be done by factors; and Queen Elizabeth not unfrequently had a stake in some of the half-piratical, half-trading, expeditions of her captains, and she was not always successful in her speculations. Receipts from tolls and from taxes are also enumerated by Bodin as the sources of revenue, but they occupy a very subordinate position.

the amassing of bullion

tried by Charles V.

All of these schemes had for their object the actual massing of treasure: prohibitory laws were meant to prevent the precious metals from being carried out of the country. By such means Charles V.¹ had tried to keep in his own hands all the bullion that came from the New World, and thus amass a treasure infinitely greater than that of any other monarch; and other lands followed his example. The rise of prices and decline of industry which accompanied his administration in Spain rendered Charles' measures abortive; and in other lands also it was found that the attempt at direct massing, which was recommended alike by theorists and by practical statesmen during the sixteenth century, was not successful in keeping up the treasure of the country. A much better system was that of so regulating the trade that a balance in bullion might be brought in in its natural course, for if much was sold to foreigners, and few goods imported, then foreign countries would have to pay us for our exported commodities in bullion. This expedient was recommended almost simultaneously by

but other nations began to trust to the balance obtained by trade.

¹ Blanqui, *History*, p. 218. Mun, *England's Treasure* (1664), p. 51. At the end of the seventeenth century, 'the exportation of gold from Spain was punishable by death. Locke, *Considerations on the lowering of interest* (1691), *Works*, IV. 72.

a German, a Spanish, an Italian, and an English¹ writer on trade: it is also implied in the essay of Lord Bacon on seditions, and was the characteristic doctrine of the mercantile system, which was for a century and a half the favourite economic scheme alike of English statesmen and English merchants.

This system could only be generally recommended *Taxation and revenue* when the Crown came to rely on the taxation of personal property as a chief source of revenue. Elizabeth had been afraid of applying for aid from her people, and preferred any other expedient for raising money than one which rendered her morally bound to fulfil their expressed wishes. Before her time however it became obvious that the wealth of the subject was the true source for the wealth of the government², and that money, which was spread throughout the country generally by the success of traders, was at times of need available for purposes of state. To the much greater dependence of the Stuarts on taxation as a means of supplying government expenses, was directly due the new vigour of parliamentary life which culminated in a practical popular sovereignty. This sweeping constitutional change is however a matter of comparatively little interest from our purely economic point of view: similar ambitions and similar expedients for carrying them out directed the economic policy of England during the whole of the seventeenth century. Seeking for national power, statesmen tried to promote national wealth, but

¹ Antonio Serra of Naples published his book in 1613 (Dürring, *op. cit.* p. 36), and the Spanish minister Ustaritz wrote about the latter part of the sixteenth century. Twiss, *Progress of Political Economy*, p. 51.

² Roscher, *Nat. Ök. in Deutschland*, I. 101. Armstrong, *How to reform the realm* (1836), p. 61.

above all for national treasure¹, the chief fountain of which was caused to flow by the balancing of trade.

*Increasing
treasure a
real
stimulus
to trade.*

§ 68. Treasure was, for political purposes, the most important form of wealth, until financiers began to use credit largely; it is worth while also to notice that the increase in the money of the country, which was due to the importation of precious metals from abroad, was highly beneficial to trade. It was clearly pointed out by Hume² that as a matter of fact benefits had accrued, and the true cause was also assigned by him; there is an interval between the increase of silver in a country and the general rise of prices throughout that country: during this time dealers and manufacturers are able to make large profits, and enterprise and speculations are unusually stimulated. But as the flow of silver from the New World had continued for a couple of generations, this unusual stimulus had been steadily applied, and it was not unnatural that those who had felt the benefit of this fall in the value of silver, should desire to see the abundance of money which had stimulated industry maintained. Thus it seemed desirable to increase the money in the country, not only for political but for commercial purposes as well³.

*Com-
mercial
importance
of bullion*

¹ Locke, *Works*, IV. p. 148. "Thus Trade is the Foundation of Wealth and Wealth of Power." D. de Foe, *Plan of English Commerce*, 1728, p. 52.

² Essay on Money, *Essays*, I. p. 313. See also above, p. 184.

³ The commercial and political aim were combined in the mercantile system, but they are so distinct that they are by no means altogether harmonious.

Dealers desired a steady rise of prices: so far as foreign trade was concerned this could only take place continuously, if the quantity of bullion in Europe was constantly increasing: it was while bullion was plentiful in Europe and comparatively scarce in England that the largest trading profits were made. When England got a large

The importance of treasure for the prince, and the stimulating effects on industry and trade of a rise of prices, gave occasion to the use of various phrases which seem to imply a most undue estimation of the utility of the precious metals. They were commonly spoken of as the "nerves and sinews of war," "the vitall spirit of trade, and if the spirits faile needs must the body faint'." These phrases may however be fairly considered as only allegorical expressions of the facts that have been noted above. Contemporary writers are perfectly clear on the nature of money: Macchiavelli treats it most clearly²:

apparently over-estimated,

but really understood.

share of the newly-discovered silver, and the prices of English exports had risen to a level corresponding to that they had reached before the change, a fresh stimulus to foreign trade could only be given by additional imports of silver from the West to continental countries.

The English statesman wished to have more treasure in his country than other kings had in theirs: but, except in so far as this treasure was hoarded either in his own hands or those of his subjects, his regulations to obtain a steady balance of bullion by trade would raise English prices. This would render it less profitable to export English wares to countries where the prices were comparatively low, and more profitable to import wares from these lands into England: so that exports must decrease and imports increase, and the balance of coin be due by merchants here to their correspondents abroad. It was thus that the very success of the system rendered its continuance impossible, unless the king carefully hoarded the whole balance; for by spending it he would of course put it into circulation, and thus raise prices. One advantage of calculating the balance of trade was supposed to be that the king would thus know how much to hoard—but the Stuarts never managed to do much hoarding.

Any branch of internal trade which was wholly unaffected by a demand from abroad, as for example brewing probably was in those days, would feel a stimulus from a rise of prices in England, even if general prices were higher here than abroad.

¹ Miselden, *Free Trade* (1662), p. 39. See also Malynes, *Centre of Circle of Commerce* (1623), p. 139.

² K. Knies on Macchiavelli in (Tubingen) *Zeitschrift für die gesamte Staatswissenschaft*, 1852, p. 268.

Bacon is equally decided¹, and without pausing to quote special references, the same is true of the whole stream of writers down to Locke², whose treatment of the subject became classical: money has a conventional not a natural utility, it will not feed nor sustain us, but owing to the convention of society it has a most important place in any system of industry and trade. The writers of the seventeenth century have received scant justice at the hands of their successors in this respect.

*Interest of
pamphlets*

For the whole commercial system of this period we are able to draw on a field of information which is comparatively fresh to us. Till the end of the sixteenth century we find very little literature that helps us, but an immense number of pamphlets were issued during the seventeenth century on all the questions of the day. In the greater part of these pamphlets the style of discussion is so extremely empirical, that they have far more importance for the history of the facts of English industry and commerce than they can ever attain in the history of the science of Political Economy³. The various writers rely chiefly on their own personal experience as merchants, or that of their friends. The 'Stapler' attacks the 'Adventurer,' and the member of the East India Company defends that undertaking against the arguments of the Muscovy Merchant. Empirical remedies for the decay of trade, and direct attacks on rival lines of commerce, form the larger portion of the matter of these tracts; but they give us much light on the state of English commerce, and on the beginnings of the doctrine of the balance of trade.

*giving
interesting
informa-
tion about
the course
of trade.*

¹ *Essay on Seditions.*

² *Works*, IV. 62.

³ Their value in this respect has been discussed by Roscher, *Geschichte d. eng. Volkswirtschaftslehre*, p. 121. It is placed lower, and as it seems to me with justice by Dühring, *Einleitung*.

One of the earliest of these controversies brings out the working of the new ideas on the nature of bullion which have been discussed above. The old school, or *bullionists*, argued that the trade in bullion was an evil, and that the country was drained of its precious metals by the direct action of bankers or dealers in money, whose operations should be authoritatively controlled. They held that the course of trade was governed by the state of prices in different countries; that prices in any land were dependent on the amount of bullion in that country; and that the amount of bullion brought in or out depended on the state of the exchanges as its efficient cause. It followed, according to this strange inversion of cause and effects, that the real way to manage trade wisely, was for government to control the rate of the exchanges; since the exchange of money by bills of exchange was like 'the rudder of the ship,' 'overruling the course of commodities and money'.¹ The views of this party are represented by Gerard Malynes. He stated that our silver was as pure, grain for grain, as that in Flanders, but that the purchasing power was obviously much greater here, since a little silver could buy wool "good cheap," which would be sold at a much dearer rate abroad, and that three ounces of silver would buy as much in London as could be got for four in Antwerp. As a consequence of this state of things, bills for £24 in Antwerp were sold for £18 in London; and as it was generally assumed that bullion must, sooner or later, be exported to meet these bills, Malynes maintained that so long as this state of the exchanges continued, a steady drain of the precious metals must be

The mistakes of the Bullionists

A.D. 1622.

¹ Malynes, *Lex Mercatoria* (1622), p. 259.

going on'. The remedy he proposed was to 'enhance' the nominal value of our coins¹, so that their purchasing power in this country should not be greater than that of similar coins abroad: merchants would then give more silver for our wool, and our 'thrifty' goods would not go abroad on such easy terms; while the mere dealing in bills would not be more profitable than other trades which had no injurious effects on the treasure of the country.

exposed
by the
Mercan-
tilists,

The chief error which underlies the whole of this argument is the assumption that the bills of exchange must be eventually discharged in bullion: they were doubtless met by the exportation of value embodied, not in bullion, but in English goods; and, supposing the facts to be correctly stated, it is clear that the natural flow of bullion would take exactly the opposite direction to that which Malynes supposed. Misselden and Mun were writers who saw that this was the case; the arguments of these *mercantilists* shew that merchants will send their money where it has the greatest purchasing power.

A.D. 1622.

¹ Malynes, believing in the *intrinsic-valuableness-of-pure-silver*, as unaffected by time or place, argued that many bankers traded in bills for the sake of the clear profit of £6, which could be got by paying £18 in London to receive £24 in Antwerp. This appears to be a clear gain of 33 per cent., and much more than could be got by industry or commerce. His error lies in not perceiving that the £24-in-Antwerp having no more purchasing power than £18-in-London, were not more *useful*, or better worth having, and that no banker was interested in trading for such visionary gain.

² The opinion that enhancing the nominal value of coins would attract more money to the country was long maintained: it was discussed as a current opinion and refuted by Vaughan, *Discourse of Coin and Coinage* (1675), p. 158. The same opinion doubtless weighed with many people in 1696, when Lowndes proposed to enhance the value of our money by making the new money lighter.

If prices are low in England, money will pour in to buy goods, for exportation, largely, as merchants will hope to sell them dearer where higher rates prevail; while the import of goods, bought for much money abroad, and to be sold for little here, will not pay. In this way the importation of bullion for commercial purposes will far exceed any possible exportation of the precious metals by those who have bills to meet. Low prices here and high prices abroad give the most favourable conditions for selling more than we buy, and thus for obtaining a large balance of bullion by the natural course of trade¹. Believing that a balance of bullion could be thus procured in the ordinary course of commerce, Misselden deemed it unnecessary to interfere with the operations of dealers in bills of exchange, or to prevent the occasional export of bullion when merchants found it necessary; he was in favour of freeing traders from all special restrictions in regard to the conveyance of the precious metals, as he believed that a large *commercial balance* might be obtained by the mere pursuit of foreign trade. There were however many prudent steps of policy that might be taken to conduce with certainty to this result. We might reduce our demand for foreign goods as either by sumptuary laws or by the example of the great, the importation of luxuries might be much checked. As foreign nations could not subsist without wool and cloth, Spain would be compelled to send us bullion to pay for them, if we had only sense to refuse to take such things

who called attention to

the balance obtainable in the natural course of trade:

¹ Malynes did not deny the existence of a commercial balance, but he did not believe it was so important as to outweigh the inducements which bankers had to purchase bills, which were eventually met by the export of bullion. Quite in the spirit of Edward III. he was for having a public exchange and taking this trade out of private hands. *Centre* (1623), p. 113. *Englands View* (1603), p. 191.

as spices and tobacco in exchange for our goods. But still more might be done by the development of the resources of our own country: by raising more capital and by developing our fisheries¹ the industry of the country might be greatly increased, and the balance of bullion obtained by trade become greater than ever.

The precise steps that were proposed for carrying out this policy practically will be mentioned below: at present we may notice how far the writers who took this view had advanced beyond the standpoint of the older school, that desired to regulate the flow of the precious metals directly, as if it were the cause, and not the effect of the course of international trading. Those who popularised the doctrine of the commercial balance of trade saw that no mere government interference could give a new value to our products; though they did hold that, by the wise husbanding of our resources and directing of our trade, the government might do much to increase the wealth of the country. On these grounds they urged the importance of attending to the state of the balance of trade. To keep a commercial balance in our favour was, according to them, the best means of maintaining the *treasure* of the prince, and the purity of the current coin of the realm. But it was also necessary for the statesman to watch the state of this balance as it served as a *criterion* of the condition of the country: by analogy with the individual craftsman it was argued, that the man who bought more than he sold would soon come to poverty, but that if a man sold more than he bought, that his affairs were in a good condition, and that he was in a

importance
of observ-
ing it

for political
purposes,

as giving
a criterion
of industry

¹ Misselden, *Circle* (1613), p. 137. All this gives us the links which help us to connect the earlier (pp. 237, 297 note) and later proposals for the management of trade.

position to save money. The analogy was however false: it is undoubtedly the case that a nation which consumes more than it produces is in a bad way, but it is not possible to identify exportation with production or importation with consumption. In many cases imports may be necessities of life without which production cannot continue: such in the present day is corn: in our day too there has been a great exportation of capital, owned by English subjects but used abroad, and a great importation of the profits on foreign investments: all these things render exportation and importation a most imperfect representation of national production and national consumption. In the seventeenth century however matters were very different: England supplied all the thrifty wares she needed: her exports consisted of a surplus-stock of the necessities of life: her imports on the other hand were mere luxuries, spices, wines, silks, &c.: if the value of the imports exceeded that of the exports it showed that we were consuming a quantity of mere luxuries that was greater than our surplus stock of necessities. The balance of trade did as a matter of fact serve as a very rough criterion of the economical condition of the country.

It could also be used as a criterion in another way: *and of the possibility of increasing the royal treasure.* that it was desirable for a prince to form a treasure all agreed; but he might accumulate so much or so little treasure as to affect the circulating medium and interfere with prices: according to Mun¹ he ought not to hoard more bullion in one year than the balance of trade showed as due to the country during that year. To keep the balance favourable increased our treasure, and this was the main thing; but to reckon the balance was to obtain a criterion of the general economic condition of

¹ *England's Treasure* (1664), p. 147.

the country, and of the amount of treasure which might be added to the royal hoards, without affecting the ordinary market.

*Industry
developed*

*though
regulated
and
hampered*

*by the
granting
of Patents.*

§ 69. The discussions in regard to the promotion of industry which were carried on during this period are not uninteresting, but chiefly because they show how much the attention of public men was directed toward the subject. When we consider the steps which were taken by Alfred, by William of Normandy and many succeeding kings to naturalise foreign craftsmen we cannot say that the development of industry had ever been ignored; but it had never before come so markedly forward as a piece of statecraft as it did in the time of Elizabeth and James. The Crown exercised very considerable powers of granting patents for the carrying on of certain industrial operations, and thus interfered with the directions which the energies of the people took. It was argued that such interference was prudent on political or moral grounds: or that the industry was kept in directions which were good for the nation though perhaps not so profitable to individuals as other lines might have been. There can be no doubt that the patents hampered the flow of capital, and that however much they may have favoured the producers of particular articles, that they were injurious to the consumers of these goods. The outcry against patents was accordingly most bitter when they were granted for the production of some article of general consumption¹:—that this policy did oppress consumers, and as all the inhabitants consume², did affect every one

¹ Malynes distinguishes between monopolies as *reasonable*, *unreasonable* or *indifferent*, according as the article monopolised is for pleasure, is 'a needful thing for man without which he cannot live civilly,' or is a mere luxury. *Lex Mercatoria*, I. c. 42.

² We must at the same time remember that a worker may gain

injuriously, is so clear to us that we find it hard to understand on what grounds the system was ever begun. Nor is it probable that it would have been ever tried if it had not served as a direct means of royal gain; but unless there had been colourable excuses for the practice it could not have continued so long. Elizabeth and James always professed readiness to remedy the abuses of the system, and the alleged evils were generally imputed to the cupidity of persons who had leased the rights of the original patentees.

There was, however, a constitutional question as to the right of the Crown to grant patents at all; and it was only with extreme diffidence that the Commons ventured to discuss grievances which arose from Elizabeth's exercise of her Royal Prerogative. Bacon contended that any new statute on the subject would only expound the common law, while the patents were granted by royal discretion in cases where the common law, or statute law needed temporary modification. There was at that time a law against exporting corn, but many circumstances might have arisen—as e.g. the maintenance of an army abroad,—when the export of corn was necessary. In such cases there was no case for repealing the law, but there was a case for temporary suspension. There were other trades that could not be suppressed, but that it seemed desirable to keep well in hand: such were all trades connected with the precious metals,—and the sale of tobacco and keeping of alehouses fell under a similar

*The right
of the
Crown*

A.D. 1597.

*and
attempted
justifica-
tions of*

more by having his industry protected than he loses by having to pay dearly for what he consumes. A system which raises prices all round—like that in the United States at present—is oppressive to consumers, but is most disadvantageous to those who consume without producing anything, and does little if any injury to those who produce more than they consume.

category in King James's time. But purely economic reasons for the granting of patents were alleged in other cases; a patent was granted for the manufacture of an article to the man who had invented an improvement in the production of it: this was the case with the glass-making patent in the reign of James. Sir Walter Raleigh appears to have contended that since he had obtained a patent for the working of the tin-mines in Cornwall, the conditions of labour had been greatly improved, both as to amount of employment and rate of wages. In so far then as economic reasons were alleged in support of the granting of patents for the monopoly of producing some article, it was argued, that this practice was favourable to the development of some particular and valuable industry—a similar line to that which has been taken by the upholders of protective laws.

*the way in
which it
was
exercised.*

The constantly recurring complaint in parliament may be taken as disposing of the contention—at any rate in regard to most crafts,—that the granting of the patent had any beneficial influence on trade generally. So far as the encouragement of invention goes, it is clear that the inventor would be sufficiently compensated if he had a monopoly of the process he invented, not a monopoly of the making of the article altogether. To the statesmen of the time, however, it seemed wisest to provide that goods should be produced by the process that appeared best, and they therefore rewarded an inventor not with a patent for his process, but with the monopoly of the article he produced. Of by far the greater part of the patents granted by Elizabeth and James, it might be argued that they were intended to improve the industry of the country: it was during the latter part of Charles's reign that they were obviously granted as means of raising a crown revenue from the fines paid for

them¹. Elizabeth, had at once given up the patents that roused indignation and in James's time referees had been consulted before the granting of patents about which the chief stir was made. The consideration of the whole matter leads us to see that underlying all the abuses, there was an honest if mistaken attempt on the part of these personal governors to develop the resources of the realm entrusted to them on wise lines. The bad working of the patents affords a demonstration of the failure of personal rule on account of the want of wisdom in its attempts, and not merely an instance of an economic blunder.

§ 70. There was perhaps more justification for *The* the paternal government busying itself about trading. *regulation of trade,* Commerce brought us into contact with distant nations and into competition with near neighbours: it thus had a double bearing on the diplomatic relations of the country to other peoples; and immemorial custom, as well as these obvious considerations, went to justify the Crown in taking an active interest about the matter. Three distinct points were constantly kept in view,—the maintenance of shipping as a defence of the realm, the gaining of a profit in bullion, and the increasing of English influence and power.

The first of these had attracted attention during the fifteenth century, but it attained to far greater importance *as a defence of the realm,* during the Tudor reigns: it was the one aim that was consistently pursued by all these princes. However their policy might differ in other respects, Henry of Richmond and his son, Edward and Mary and Elizabeth,

¹ Macpherson, *Annals of Commerce*, for the year 1632, gives an extraordinary list of inventions patented: it includes an instrument for raising the wind when common winds fail, a fish-call for enticing fish into nets, and a hydraulic cabinet for sending people to sleep.

all shewed a great interest in the development of our marine. In later days one of the great arguments alleged in favour of developing the fisheries by English capital was that that employment served as an admirable school for seamen. We shall see more of this when we come to consider the Navigation Act, which was the crowning stroke of this long-continued policy.

and for the
successful
conduct of
business

In regard to the actual conduct of trade, all parties agreed that it ought to be under regulation. For Englishmen to be competing against one another was to cut down the profits of the trade altogether; and the single-handed English dealer was likely to suffer inconvenience and loss at the hands of foreigners. For these reasons the regular merchants were strongly opposed to the 'interlopers,' and maintained that it was by the good government of each trade that profit really accrued; "for want of government in trade openeth up a gap and letteth in all sorts of unskillfull and disorderly persons: and these not only sinke themselves and others with them, but also marre the merchandise of the land both in estimation and goodness, than which there can be nothing in trade more prejudicial to the Publique Utility¹." Unregulated trade, though spoken of, did not apparently find any advocates worth consideration², but the chief difficulty lay in determining how the regulation of trade could be best carried out. The constant and direct interference

¹ E. Misselden, *Free Trade or the meanes to make trade flourish*, (1632) p. 85. Free trade with Misselden does not mean unregulated trade, but trade which should be unfettered by statutory restrictions in regard to the export of bullion.

² In his refutation of the view Misselden does not refer to any pamphlet, nor does Mun when arguing in the same direction, *Discourse of Trade* (1621), p. 55, nor Robinson, *Englands Safety in Trades Increase* (1641), p. 45.

of the State could scarcely be considered desirable even if possible—though Malynes advocated something of the sort,—but the simplest plan seemed to be the formation of companies of merchants to whom the management of each trade was committed by charter, for a definite period. Such companies were the Levant Company, the East-land Company for the Baltic, the East Indian Com-^{A.D. 1600.}pany which outshone all the others, and the less successful Spanish, French and African Companies. But these companies were not all of the same type: some were ^{by regu-}regulated companies, into which any English subject could obtain admission on understood terms, and the various members of which traded each with his own capital, but in accordance with the regulations of the company: others were joint-stock companies where the ^{and joint}body traded with a common capital, shares of which ^{stock}might often not be obtainable. A joint-stock company ^{companies.}on which special privileges had been conferred and into which new partners could not obtain admission, appeared to many men to be a dangerous monopoly: on the other hand it was said that the fitting out of a great fleet to go on really distant voyages, and the maintenance of a factory which could be defended against hostile nations or angry rivals, were undertakings that could only be carried out on a larger scale than could be attempted by one individual. The dispute as to the advisability of granting charters to companies of this type was embittered by the fact that the East India Company—the leading joint-stock one—had interfered seriously with the profits of the Levant trade, which was conducted by a regulated company: Eastern products were brought by the long sea route instead of being transhipped into English vessels at Smyrna or other factories on the Levant. The East India trade was assailed by Malynes and defended by

Mun¹, and the controversy gives us interesting light on the current commercial ideas. The opponents of the East India Company argued that it brought gains to those private individuals who held its stock, but none to the state—or even a positive loss; the upholders of the East India trade were tolerably successful in refuting this accusation; but less so in showing that the losses of men and ships in the distant voyages was not a serious loss to the nation, or at least a diverting of the stock of the country into a risky employment while other paths were certainly profitable: it was unsatisfactory to argue that such losses fell on the private partners not on the nation as a whole.

*Private
and
National
Interest.*

It is interesting to notice how both parties agree in regarding individual and public interest in trade affairs as distinct. They are inclined to look at each case of loss or gain as either national or private and to argue which it was, instead of viewing each case of loss or gain in its double relation. Still less are they able to argue on general grounds or to reach any statement—like the *laissez faire* doctrine—as to a general relation between public and private interests. The controversy thus turns so much on matters in regard to which there was a direct conflict as to facts that it is useless to follow it in detail; especially as events have justified the view of those who

¹ *A discourse of Trade from England unto the East Indies*, by T. M., 1621. An earlier passage of arms on the same subject took place when J. R. attacked the Company in his *Trades Increase* (1615) which was answered by Sir Dudley Digges (*Defence of Trade*), who controverts the alleged facts on which J. R. rested his charge against the Company of sacrificing men, ships and treasure. Misselden in his *Free Trade* (1621) lays great stress on the need of the stock used in the East Indies for more profitable employment, p. 13, though he elsewhere speaks most favourably of this Company. *Circle of Commerce*, 1623, p. 34.

advocated the development of an East India trade. In the time of King James the paper controversy raged, but soon experience seemed to show that both forms of company might be required under different conditions; and events proved that there was room both for the joint-stock trading of the Company which came to rule our largest dependency, and for the regulated 'adventures' of private merchants in shorter voyages to the Mediterranean.

Closely connected with the question of the formation *Settlements abroad.* of trading companies, was that of the settlements of Englishmen abroad: some of these have distinctly grown out of mere trading factories, others were planted as means of enriching and increasing the power of the mother country: only in the expectation that they would do so, could an English king have felt himself justified in letting a band of his subjects, who might work for the nation at home or fight against his enemies, settle in a distant region where these personal services would be practically lost to their native land. In the records of the travels of the Elizabethan voyagers this is always the prominent thought—the benefiting the mother country by developing the resources of newly discovered lands. The names of the various colonies in North America mark the later date of their foundation. Virginia was the only one of the present States which had received a body A.D. 1585. of English settlers before the reign of Charles I.: and it was in a miserably backward condition. If the travellers saw clearly the value of other products than precious metals¹, the royal advisers were so wholly set on procuring gold that they wasted, in the promotion of a Gold-A.D. 1618. coast trade, energies that might have been more profitably expended on the other side of the Atlantic.

¹ See below, p. 331.

*Extension
of trade.*

At the same time it cannot be doubted that whether, as men then thought, because of the wise regulations of government and the corporations, or as many might now say, in spite of them, English trade increased rapidly during the first four decades of the seventeenth century. Writers in 1640¹, who are by no means optimists as to the future, speak as if trade had been unknown in England till the time of Burleigh and James I. During the distractions of the earlier years of Charles, and under his personal government, it continued to advance: the rise of prices went steadily on and the customs in 1641 are said to have reached the sum of £500,000 as compared with £14,000 in 1590². With such an increased trade and increasing treasure Englishmen awoke to a desire for a commercial supremacy, which should serve as the basis for a world-wide power³.

¹ See e.g. Sir R. Maddison, *Englands looking in and out*, p. 25.

² Captain Lewes Roberts. *The Treasure of Trafficke* (1641), p. 86. Compare also Child, *New discourse of Trade* (1690), p. 8. Daniel de Foe's estimate is much smaller: he speaks of the trade having increased twenty-five fold in rather more than a century. *Giving alms*, p. 426.

³ A very early expression of this ambition is in John Hagthorne's *Englands Exchequer, a discourse of the sea and Navigation* (1625). "The glory and sovereignty at sea hath at this time three competitors, the English, Dutch and Spanish Nations; betweene whome though there were no open hostilitie yet is there a politique secret warre, by striving to undermine and beate each other out of their trades: which may not improperly be called a warre; for the deprivation and cutting off the trades of a kingdom may be to some prince more losse, if his revenues depend thereon, than the killing of his armies. For he that hath coine shall have strangers to fight for him, but he that hath none though peradventure he number many subjects yet in his need hee shall find but few souldiers. These three hold the whole state of things as it were in ballance: and it seems there is some inevitable destiny that these differences should therein be decided." p. 7.

II.

CONSCIOUS IMITATION OF THE DUTCH.

71. Trade Rivalry. 72. The Navigation Act. 73. The
Plantations. 74. The Rate of Interest—Credit. 75. The
Bank. 76. The Recoinage. 77. The Unemployed and
Poor. 78. English Experience.

§ 71. THE period of the Civil War may be taken as marking an epoch in English ambition. It is roughly speaking true that till this time our merchants were struggling to gain a footing and open up trade between England and different quarters of the globe, and endeavouring to prove that the encouragement of trade was for the royal honour and benefit¹. With the more real popular power in the times succeeding the Great Rebellion, there was a more generally diffused national ambition: the mercantile classes had made their power felt during the war, and their interest coincided with the national ambition of outdoing the Dutch, who would not acknowledge our sovereignty on the sea, and of thus attaining a mercantile supremacy throughout the world.

It was felt too that if this rivalry was to be successful, we must pursue the same course by which other commercial states had risen to eminence². The pamphlets of the middle and end of the seventeenth century argue more

¹ E. Misselden, *Free Trade* (1632), p. 88.

² Raleigh, *Works*, VIII. 351.

from the proved results of certain policy in the cases of Italian cities or of Holland, and not so much from the personal experience of individual merchants as earlier writers had done. It is of course impossible to draw a hard and fast line, but none the less it is true that we find ourselves on the whole on a firmer platform when appeal is made to the more general experience of a people, rather than to the personal knowledge of individuals. This line of argument occurs in many of the pamphlets already quoted¹, or in contemporary ones, but it becomes more marked as the rivalry between England and Holland grows more bitter. The attempt to carry on a spice trade jointly, which was made by the East India Companies of the two nations in 1619, soon proved a failure. The English had been forced to give way for a time after the massacre of Amboyna², but the energy with which they pushed their trade in Portuguese India and in Persia shewed that the commercial spirit was not checked. It was however as an asylum for royalist refugees that Holland became chiefly obnoxious under the Commonwealth; and as a nest of republicans that it was hated by Charles II. It was thus that political motives conspired to induce the rulers of the country to engage in a succession of wars with our commercial rivals; and that the quarrels of a Dutch and English trading company in the Spice Islands were taken up by the nations, and fought out till the supremacy of England was fully established.

*of
Holland.*

Towards the close of the century we find writers holding up the example of the Dutch, not merely as a means of rivalling them, but as something good in itself. The Whigs and Latitudinarians admired the religious in-

¹ E.g. Roberts, *Treasure of Trafficke*.

² Raynal, *Europeans in the East and West Indies*, 1. 304—318.

differentism of Holland¹, and the popular form of its government was attractive. They argued that by following Holland in these respects we might draw to ourselves the refugee craftsmen of other nations, and retain many skilled workmen who would otherwise seek to emigrate. Through all the disputes of the time the desire of undoing Holland by copying her trading regulations, her tariffs, her industry, her bank, her credit system, was universally felt and expressed.

§ 72. The only direct blow which was struck by the English Government at Dutch commerce was the Navigation Act of 1651. Its aim—and an aim in which it was very successful—was to divert as much as possible of the carrying trade of the Dutch into our hands. This, even more than her success in the Indies, had been the envy of English merchants: it had been urged in 1641 that neither our import nor export trade could be profitably developed, but that England was admirably situated for becoming an emporium for all nations and for doing a large carrying trade for the rest of the world². By forbidding the export or import of goods except in English ships or the vessels of nations to which the goods belonged, the carrying trade of the Dutch between English and foreign ports was at once stopped: though there were more than once slight relaxations, the Navigation Act was maintained until the aims of its most sanguine promoters had been more than accomplished. It had besides an important effect on our Western colonies. Barbadoes and Virginia had been royalist in their sympathies; and the intercourse between Holland and Virginia had been found useful to the royalist refugees and

The Navigation Act:

*its effect's
on the
Colonies*

¹ See especially Child.

² H. Robinson, *Englands Safety in Trades Encrease*, pp. 20, 23.

royalist colonists. The Navigation Act was undoubtedly oppressive to the colonists, but it strengthened the political and commercial ties which bound them to the mother country¹. The planters complained bitterly of its maintenance, and no one could deny that it injured them pecuniarily, but from the point of view of the time which regarded colonies as dependencies existing for the good of the mother country this was easily answered. "If they were not kept to the Rules of the Act of Navigation, the consequence would be that in a few years the benefit of them would be wholly lost to the Nation. It being agreeable to the policy of the Dutch, Danes, French, Spaniards, Portugals and all Nations in the World to keep their external Provinces and Colonies in a subjection unto and dependency upon their Mother Kingdom: and if they should not do so, the Dutch, who as I have said are Masters of the Field in the Trade, would carry away the greatest of advantage by the plantations, of all the Princes in Christendom, leaving us and others only the trouble of breeding men and sending them abroad to cultivate the Ground, and have bread for their Industry²."

and on
English
consumers.

It was also recognised that in many cases consumers suffered to the advantage of traders by the existence of an Act which excluded competition. The defenders of the Act did not deny that this might be the case, but they argued that the maintenance of shipping was of such supreme importance to an Island realm, that a mere pecuniary loss hardly affected the matter at all. We may thus see how closely commercial and political considerations intermingled in the whole matter.

¹ L. von Ranke, *History of England*, III. 68.

² Child, *New discourse of Trade* (1690), p. 114.

Besides encouraging the development of English shipping, and transferring a portion of the Dutch carrying trade into our hands, the Act was the fruit of a disposition to carry on an active competition with the Dutch in the Fishing Trades. Even writers who would have willingly sacrificed our East Indian trade to the Dutch, looked on them with extreme jealousy when their fleets came into English waters and carried off the harvest of the sea. One writer after another insists that there is no real reason why we should not conduct this industry as profitably as they did; and several writers eagerly recommend the practice of eating fish during Lent and on the Friday fasts¹, as a means of creating a regular home demand for the commodity, so as to induce capitalists to embark in the trade. To compete directly with the Dutch in foreign markets did not seem a very hopeful prospect on account of their established connexion; but the cod fishery off Newfoundland might be cherished, and we could refrain from dealing with their whalers, so as to encourage our own².

¹ See especially E. Jennings, *Brief discovery of the damages that happen to this realm by disordered and unlawful diet* (1593), and various writers, e.g. H. Robinson, *Englands safety in Trades Encrease*, p. 16.

² Some idea of the importance attached to the subject may be gathered from a brief note on the literature. Jennings (v. supra) argues without reference to the Dutch competition, that decline of fishing means a decline of naval power. Considerable practical acquaintance with the trade is shown by Tobias Gentleman in *Englands Way to Win Wealth* (1614). Compare also J. R.'s *Trades Increase* (p. 36 following), though the greater part of the pamphlet is an argument against prosecuting distant trades, especially the East India trade. Other pamphlets are mentioned by E. S. in *Britains Busse* (1615) where there is a full computation of the cost of fitting out ships of the Dutch pattern for the herring trade. Misselden, *Free Trade*, p. 35 (1612), strongly resents the encroachment.

*Success of
the Act.*

This Act was almost the only commercial expedient of the time which was not directly borrowed from the Dutch; and the admirers of Dutch policy were taunted with inconsistency in supporting it. They had however no difficulty in showing that the conditions of commerce in Holland gave her merchants such an advantage that they had "no need to build Castles, Fortresses and Places of Retreat; such I account Laws of Limitation and securing of particular trades to the natives of any kingdom¹." It was however a genuine development of an old English policy, and one which has escaped much of the blame that modern economists have bestowed on earlier legislation, owing to the approval of it expressed by

of strangers on our coast and practical disregard of our sovereignty on the sea. John Hagthorpe, *England's Exchequer*, calls attention to the value of Newfoundland fisheries, p. 31, in a pamphlet which has an interesting discussion of our various plantations, and while deploring the absence of gold, p. 35, advocating American in preference to African settlements, p. 36. The whole case is well summed up by H. Robinson, *Trades Encrease Englands safety*, p. 13, and mention is made of the matter in nearly every commercial treatise. C. Reynel, *The true English Interest*, 1674, argues for the granting of bounties on fishing; but the complaints of Dutch competition in English waters are much less frequent after the middle of the century, and in 1694 Sir J. Child mentions the red-herring trade of Yarmouth and the cod-fishing of Newfoundland as two employments in which the Dutch could not hold their own against us, *New discourse of trade*, Preface (1690): it was different with the Greenland trade, which was still entirely in their hands, p. 51. The old complaints of the Dutch—with whom however the French are coupled—are reiterated by J. Gander, *Vindication of a national fishery* (1699), who adopts this curious motto:

England's a Perfect World
't has Indies two:
Correct your maps: the
Fishery is Peru.

¹ Josiah Child, *New Discourse of Trade*, p. 113.

Adam Smith¹. At the same time it was contended that, while the Act protected English shipping, it rendered it more difficult for English merchants to compete in neutral markets². England gained, not because her protective policy enabled her to compete with the Dutch, but because she had power to force the Dutch out of certain important markets, and was indifferent to the loss to the colonists so long as the mother country was enriched.

§ 73. Closely connected with this bitter feeling towards the Dutch for the success of their shipping was a jealousy of the success of their factories abroad, and the state of our settlements was another subject which attracted serious attention. Although many important discoveries had been made, and reckless adventure attempted by English sailors during the time of Elizabeth, it is hardly possible to regard them as having done more than open the way for trade. The accounts which the voyagers give of their own travels show that they were quite alive to the value of a fertile soil and natural productions other than the precious metals³; and the first founders of our earliest colony—that of Virginia—were at any rate under no misapprehension as to the kinds of wealth which would be most useful in a new settlement⁴.

Voyages in
Elizabeth's
time.

¹ *Wealth of Nations*, II. 252, 444.

² *Britannia Languens* (1680), pp. 52, and 65. The author urges the repeal of the act in order to break the monopoly of merchants, which restrained the free vent of English manufactures.

³ Adam Smith's assertion to the contrary in the *Wealth of Nations*, II. 398 is disproved so far as English voyagers are concerned by Roscher, *Zur Geschichte der Eng. Volkswirtschaftslehre*, p. 22. Sir Walter Raleigh's Guiana expedition is a doubtful exception, as he does not deny the worth of other commodities in laying stress on the advantage of possessing a gold mine.

⁴ The objection was urged but readily answered. "But what are

The suggestions for colonisation which are contained in Bacon's *Essay on Plantations* are admirable¹, where the writer shows great judgment in his compressed remarks on the physical conditions, and on the manage-

those riches where we heare of no Gold nor Silver, and see more impoverished here than thence enriched, and for Mines we heare of none but Iron? Iron mindes! Iron age of the world! who gave Gold or Silver the monopoly of wealth, or made them the Almighty's favourites? Precious perils, speecles punishments whose originall is neerest hell. * * Penurious mindes! Is there no riches but Gold Mines? * * But let us consult the wisest Counsellour. *Canaan*, *Abraham's* promise, *Israel's* inheritance, type of heaven and joy of the earth! What were her riches? Were they not the Grapes of *Eshcol*, the balme of *Gilead*, the Cedary neighbourhood of *Libanus*, the pastury vale of *Jericho*, the dewes of heaven, fertility of soile, temper of climat, the flowing (not with Golden Sands, but) with Milke and Honey (necessaries, and pleasures of life, not bottomeless gulfes of lust), the commodious scituation for two seas and other things like (in how many inferior?) to this of *Virginia*. * * That then is the richest land which can feede most men, Man being a mortall God, the best part of the best earth, and visible end of the visible World. What remarkable Gold or Silver Mines hath *France*, *Belgia*, *Lumbardig*, or other the richest peeces of *Europe*? * * The *Spaniards* old Mynes made them the servaunts of *Rome* and *Carthage*: and what their Mynes and mindes doe now I leave to others. * * Neither let any thinke that I pleade against the sourness of the grapes like the fox which could not reach them: but I seriously shew that they are calves and not men, which adore the Golden Calfe, or *Nabuchadnessars* great golden statute, as if the *body* were not *more than raiment*, and those thinges to be preferred to money, for whose sake mony (the creature of Man; base Idolatry where the Creator worships his Creature!) was first ordained and still hath both use and being." *Virginias Vergin* in Purchas's *Pilgrims*, IV. p. 1814.

¹ With reference to the point noted above we may quote: "But moile not too much under Grounde; For the Hope of Mines is very uncertain and useth to make the Planters lazie in other Things." Iron however is excepted, since it "is a brave commodity where wood aboundeth."

ment of the colonists and natives. The success which attended the plantations in Virginia and Newfoundland, as well as the trading from the Bermudas, led to the suggestion of colonising the coast of North America on a larger scale, and sending out 20,000 of our surplus population every year, beside those who might volunteer to go. It was admitted that no gold was to be found there; but the promoters argued that the character of the climate and soil made it much more suitable for English emigrants than the gold coast of Africa¹, towards which others turned longing eyes. The colony of the Puritans in New England was the next considerable attempt, closely followed by the Romanist Lord Baltimore's settlement in Maryland, where a religious toleration was permitted which would have been inconsistent with the purity of the rigorous congregationalist discipline in the north; but the events of the Civil War led to a considerable increase in the number of royalist, and latterly of republican, refugees who sought an asylum in the New World. The growth of these colonies by the emigration of some of our population, at the same time that the ravages of the Great Plague had carried off so many of our people, led politicians to look on the plantations with something of jealousy.

It had always been assumed that the colonies would aggrandise the mother country by giving new scope for the employment of her citizens and by opening up new avenues of trade: it became obvious however that Spain had not profited greatly by extending her dominion over wide areas of territory, and it appeared that colonies might be a real source of weakness. They might tempt

¹ John Hagthorpe, *Englands Exchequer or a discourse of Sea and Navigation, with some things thereto coincident Concerning Plantations* (1628), p. 36.

but ap-
proved by
Charles
II.,

and their
interests

were sub-
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to those of
England,

away our population so that our industry decayed, and trade for their own profit, without enriching the mother country: for this reason merchants urged that we should plant colonies which might be centres of general trade, rather than occupy territories that would eventually compete with us, as the North American colonies already competed with English merchants in supplying the West Indian planters¹. But despite these notes of dissatisfaction the king was strongly convinced of the advantages of increasing our colonial empire; and during the reign of Charles II. we obtained a long unbroken line of North American coast with the renewed settlement in Carolina and the Quaker colony in Pennsylvania; the precise relations of these colonies to the Crown were various, but their trading and commercial interests were very similar, though of course the native products of the north and south were by no means the same. The Navigation Act had interfered with their development, and the treatment they continued to receive was all planned in the same spirit of subordinating their interests to those of the mother country. The favourite means suggested by contemporary authors for making the plantations more profitable to the kingdom were the passing of laws—

1. To prevent (as much as conveniently may be) the Product of either to be transported from the place of its growth to any other place save England.
2. To prevent its being imported hither after manufactured there.
3. To prevent (as much as may be with Conveniency) the exporting hence any simple thing in order to be manufactured there, such as Iron, Leather, &c., which 'twere better for this kingdom were first wrought up

¹ C. Reynel, *The true English Interest* (1674). Similar objections are fairly stated and well answered by J. Child, *New Discourse of Trade* (1690), p. 178.

here. 4. In lieu of all to lay open the African trade, that the Inhabitants may be supplied with Negroes on easier terms. These are general rules, but not without some exceptions; for "when I say the commodities of one plantation should not be carried to another, I mean those only which are fit for trade and may be brought hither, and be hence disperst again, as Sugars, Cotton, Indigoe, Tobacco, Ginger, and such like: but for Provisions, Timber, Horses, and things of like nature, they may and ought to be permitted, because this nation cannot so conveniently supply them hence'."

Precisely similar principles governed English policy *as was the case with Ireland,* in dealing with Ireland. The attempts at doing something for that island which had been made by Elizabeth and the first Stuarts, especially during the administration of Strafford, were upset by the rebellion of 1641, and the terrible chastisement inflicted by Cromwell and Ireton: nor had the country well begun to recover before the conflicts between James II. and William of Orange threw the whole into disorder and ruin. Under these circumstances it was astonishing that the trade of Ireland so far developed as to excite the jealousy of English merchants. The importation of Irish cattle into England had been prohibited¹ lest it should injure English graziers; but this led to the complaint that foreigners victualled their ships more cheaply in Ireland than English merchants could at home². Others demanded a modification of the Navigation Act so as to exclude Ireland from its benefits, while others pointed out that the woollen manufactures

¹ J. Cary, *An Essay on the State of England in its relation to trade* (Bristol, 1695), p. 71. The suggestion about opening the slave trade was a generous one from a Bristol man.

² 18 Car. II. c. 2.

³ *Britannia Languens*, 1680, p. 53.

were making rapid progress and that England was being undersold in her own staple trade. To English minds it seemed enough if Ireland continued to devote her attention to husbandry¹, or at most to cultivate the flax and linen trade which had never been naturalised to the same extent as the woollen in England.

and
Scotland.

A.D. 1698.

The same sort of commercial jealousy influenced English statesmen in their attitude towards the Scotch scheme for colonising the isthmus of Darien². That there was a danger of exciting the anger of Spain, and of thus being dragged into a quarrel on behalf of the sister kingdom, was undoubtedly true: but it was not less true that the jealousy of the English parliament was aroused at the sight of an important trading expedition undertaken by another people. The combined causes led to that regulation in accordance with which the English colonies held aloof from the Scotch settlers during their endeavours to establish themselves, and which brought about their humiliating failure.

Rate of
interest

§ 74. The most obvious difference between Dutch and English commercial affairs was the marked disparity in the rates at which money could be borrowed in the two countries. The rate of interest allowed by law in England at the time was 8 per cent, and it was generally speaking impossible to borrow on easier terms. The fact that one of the greatest merchant houses could get money at 4 per cent. was regarded as a very remarkable proof of its stability. In Holland, on the other hand, it was possible to borrow at 3 per cent. or even less, and additional capital could be easily obtained either for new speculations or for developing new trades and improving

¹ Cary, *Essay on Trade*, p. 91. J. P., *A discourse of Trade and Coyne* (1700), p. 89.

² Ranke, v. 220.

estates: it seemed that the whole activity of Dutch and comparative stagnation of English industry—despite our immense natural superiority—was due to the high rate of interest here. *in the two countries.*

This was a theme which came into prominence as the discussion about fisheries began to languish, and the pamphlets which deal with it are very instructive, as they bear witness to the gradual growth of a better understanding as to the nature of interest, and the causes on which a high rate depended.

Although there was still some difficulty among conscientious men about the lawfulness of taking interest at all, a sound opinion on the subject was being formed. *Lawfulness of taking interest.* "But certainly if it be but free to argue it the precept or command of *Date mutuum nihil inde sperantes* being interpreted according to the aforesaid definition might not onely seeme somewhat repugnant unto reason but unto Scripture it selfe. Deut. xxiii. 20. *Extraneo isti dabis in usuram, fratri autem tuone*; for if Usurie were absolutely unlawful as murther, adulterie, &c. God would not have permitted it to Wards, Aliens, or Strangers: then in regard there may be an occasion for borrowing as in a rich man that cannot be said to doe it for need; for which cause I am not bound to lend him, but because he sees certaintie of profit, and rather than I will be his hindrance of such a profit, me thinks I find mysele in a manner obliged to lend him what I could, and intended otherwise to imploy mysele, not without good hopes of benefit; and may not I in this case of certaine profit to my neighbour in borrowing and certain dammage (for the imploying it is always valued at somewhat to my selfe by lending take interest for my money, and so he get more by borrowing, and I by lending?" The fact that there

¹ H. Robinson, *Trades Increase Englands Safety*, p. 41.

was a field for productive investment is put forward as justifying the lender in charging interest; but there is no real understanding of a connexion between the power of production of capital and the rate of interest. The latter is spoken of as a sort of arbitrary compensation to the man who having money was in a manner obliged to do a good turn to a friend.

*Proposals
for state
regulation
of interest.*

If the rate of interest were such an arbitrary thing as this, there is no reason why it should not be fixed by convention—or by statute—at whatever rate seemed desirable, and was the view of several pamphleteers. The maximum rate allowed had stood at 10 per cent. till 1624, when it was lowered to 8 per cent.; in 1651 it was reduced again to 6 per cent.; and in both cases experience seemed to show that the reduction had been beneficial, and that it might be carried further with equally good results. A vigorous statement of the arguments in favour of these changes was published by Sir Thomas Culpeper¹ in 1623. He apparently holds the opinion which was explicitly maintained by Sir Josiah Child², that the low rate of interest was the *causa causans* to which all the other advantages possessed by the Dutch in shipping and industry were due. This writer gives many interesting illustrations of English progress since 1624, but is not successful in demonstrating against his opponent that these were the effects of a low rate of interest³.

¹ *A small treatise against Usury*, reprinted by Child in his *New Discourse of Trade*, p. 217.

² *New Discourse of Trade*. So too J. Cary, *An essay on the state of England in relation to its trade* (Bristol, 1695), p. 31.

³ The author of *Interest of money mistaken* appears to have realised that 'riches were the cause rather than effect of low interest,' and feared that a farther legal limitation of the rate of interest would render it impossible for any but the most wealthy merchants to borrow at all. Child, *New Discourse*, pp. 37, 42. It is strange

Much more practical were the suggestions of those *Facilities* who tried to implant on our shores the mechanism by *for* which money was lent among the Dutch and other *borrowing* nations. They saw that for various reasons, security *money for* was far greater in Holland than here, and they felt that *productive* if the risk of lending were diminished, the rate at which *purposes:* money could be obtained would be immediately reduced. An extraordinary acquaintance with the undeveloped resources of various parts of England is shown by Andrew A.D. 1677. Yarranton, who greatly regretted the difficulty of borrowing on landed security, owing to the confused state of titles to real estate. By the simple expedient of framing a public register, from consulting which full proof could be obtained of the owner's title and the terms on which the land was held, he believed that landowners throughout the kingdom would be put in an infinitely better position for borrowing, so as to be able to improve their lands, and establish remunerative industries. All sorts of business might be conducted on the credit of such landed securities as easily, and much more safely, than with cash. One reason of the great uncertainty of titles of which he complains—so that a landed gentleman with £1,000 a-year in England, had far greater difficulty in borrowing £4,000 than one with £100 a-year in Holland—was owing to the changes of the Civil War¹, and the difficulties it introduced. Yarranton held very

that while refuting a forgotten pamphlet Child should have in his second edition (1694) paid no attention to the statement of the view he opposed which had been already published by John Locke, and which has become a classical utterance on the subject. *Some considerations of the lowering of interest* (1691). *Works*, Vol. IV.

¹ It is not a little remarkable how very little these distractions are mentioned by commercial writers: they are scarcely ever alluded to as having been prejudicial, except as regards the East India Company.

clear views on the suitability of different districts for the localisation of different industries¹, and on the precise steps that should be taken for developing each employment in each of several counties—all through the security for easy borrowing afforded by a public register.

and for
saving:

Another project which was mooted many years before 1641, was that of starting a bank for deposits on government security; this would serve as the great cash-keeper of the realm, and instead of hoarding their wealth, citizens would deposit it, where it could be used for public advantage². The trade of private banking, which was chiefly conducted by goldsmiths whose strong rooms were the safest place for depositing a hoard, was apparently conducted very recklessly and finds little favour among any of the writers of the day³: but many citizens might have been glad to take advantage of a deposit bank which was guaranteed by the House of Commons—the honour of the King was less valued as a commercial security in the time of the Long Parliament⁴.

¹ *Englands Improvement by Sea and Land*, p. 49 (1677): "Any manufacture fixed in any place, where it may be better accommodated thither it will go, and so remove from the place where it was first set up: and the discouragements it received there, many times keep it from fixing any where else."

² Robinson, *Trades Encrease Englands Safety*, p. 34.

³ See especially Yarranton, *Englands Improvement by Sea and Land* (1677), p. 17. But the complaint against bankers is endorsed by Malynes, Robinson, Child, and in fact generally.

⁴ Charles, by seizing of the bullion in the Tower—even though the owners were not permanently losers, had done much to shake royal credit. McLeod, *Theory and Practice of Banking*, I. p. 369. For loans contracted in 1641 the House of Commons was responsible, and the king in order to enable the Commons to perform this service, resigned his power of dissolving it into the hands of that Parliament. Ranke, *History of England*, II. 267.

For humbler classes of borrowers other suggestions were made; municipal pawn-shops where loans of sums up to forty shillings were made at the rate of 10 per cent. per annum, would be an improvement on those then in vogue, where private dealers extorted 30 per cent., or even 100 per cent. These were suggested by the Italian *montes pietatis*¹: but the idea of public granaries where the staple food of the people should be stored, so as to combine the advantages of savings banks and a paper currency for rural districts², seems less feasible, though it was said to have worked well in Brunswick and Saxony. A.D. 1677. Diverse as these expedients are, they all have the common aims of promoting the accumulation of Capital, and aiding in its ready transference to those quarters where it could be most easily employed. As Yarranton constantly argues, by 'writing from their copy' we might 'defeat the Dutch without fighting,' though he doubted our ability to do it by active opposition.

§ 75. Such new developments of banking, and improvement of the terms on which temporary loans could be obtained, would obviously not only be beneficial to private enterprise, but to the government of the country as well. The ability of a small country like Holland to bear the strain of long-continued wars, had been one of the most obvious proofs of its wealth; and many men were anxious that the English people should have similar facilities in carrying on their affairs of state. This was all the more important as under the Commonwealth raising temporary loans had come to be part of the ordinary financial practice of the realm. Money was always needed to tide over the interval between the voting of supplies and the actual payment of the sums

¹ Robinson, *Trades Encrease*, p. 45.

² Yarranton, *Englands Improvement*, pp. 114 ff.

*from the
Goldsmiths
had become
a system,*

granted; for funds to meet their immediate necessities the government had recourse to the goldsmiths. The goldsmiths paid 6 per cent. to those whose cash they held, and counted on making a small profit. The royal debts to them were secured by the assignment of particular branches of revenue, or of the first money that came in under parliamentary votes; and reliance on the royal honour in meeting these engagements was the real foundation on which these transactions were based¹. To Parliament they appeared obnoxious as lessening the direct dependence of the Crown on grants from the people², and resolutions were subsequently passed against them; but nothing could so effectually have discredited the system as the step taken by Charles II., when in 1672 he suspended³ for a time the repayments out of the Exchequer to the goldsmiths who had rendered the government such frequent service. The difficulties of subsequent reigns—especially of the government immediately after the revolution—were immensely increased by his dishonesty. None of them found themselves in a position to pay the interest of 6 per cent. which had been promised to the goldsmiths—and for which they were in turn responsible to their depositors—and they certainly could not attempt to repay the principal sum. The initial disgrace was increased by the way in which the Crown contested the moral rights of the goldsmiths till 1700, when the government was forced to give in so far as to treat with creditors, who were never fully reimbursed, but whose claims formed the nucleus of the national debt⁴.

*which was
abused by
Charles II.
A.D. 1672.*

A.D. 1700.

¹ McLeod, *Theory and Practice of Banking*, I. 369.

² *Royal Treasury of England*, 1725, p. 318.

³ W. M. Christie, *Life of Earl of Shaftesbury*, II. 56.

⁴ McLeod, *op. cit.* I. 374.

When successive governments had thus disparaged their own trustworthiness, there was little reason for surprise that William and Mary had considerable difficulty in obtaining any advances. Several expedients were proposed; that of raising money on the strength of a government promise to pay annuities to the subscribers, for a stated number of years, was tried in 1690; *A.D. 1690.* and that of raising money by subscription on the strength of a government promise to pay a perpetual annuity *Perpetual annuities* was mooted, but not attempted, in 1691. Only in 1694, when special privileges were accorded to the subscribers as well as the promise of annual payments in perpetuity, was the scheme successfully floated, and the Bank of England founded.

The relief which it gave to the government was immediate, and it introduced a new principle into finance. Instead of raising loans by mortgaging particular branches of revenue, pawning their jewels¹, or granting annuities for a time, the government raised money on the faith of the future progress of the country. *on the faith of future progress.* Hitherto each king had practically been dependent on what he could raise within the year, for the expenses of that year—the heavy burden of interest made it desirable to meet emergencies, so far as possible, as they arose. To do so had indeed been increasingly difficult with the wider ambition of the Stuart Kings, and the civil disputes which occurred during the seventeenth century. Even in spite of the large increase of customs these rulers were forced to demand frequent subsidies, and it was only by the strictest economy that Charles I. was able to carry on the government during the peaceful years of his personal rule: the outbreak of the Scottish rebellion put a strain *A.D. 1640.*

¹ Especially Henry V. *Royal Treasury*, 147.

on his finances which he was unable to meet. The financial history of the Civil War is a subject of great interest¹, but the numerous expedients adopted on either side were of too temporary a character to justify a digression here. It may suffice to say that Charles II. came to the throne at a time when considerable arrears were due to the army, and when industry and trade must still have been suffering from the miseries of war and military government; large sums were raised by a graduated poll-tax as had been done in other emergencies, for the disbanding of the army, and subsidies were granted for the purpose; ordinary revenue was however raised from indirect taxation; the Post Office was the one new institution introduced under Charles II., though legal authority was obtained for the excise duties.

*Pressure
and*

The burden of taxation was great, and the question of its incidence was one of considerable interest. The direct taxation or subsidies were assessed according to counties, and it was said that the midland and home counties bore a most unfair proportion of that taxation²; but an attempt was made to render the assessment fairer when in 1660 Charles accepted £100,000 per annum—the value of a subsidy as commonly estimated—from this source in lieu of the revenue that had accrued from the courts of Wards and Liveries. It was a further complaint that the smaller land-holders were assessed at rates that were out of all proportion to the comparatively

¹ Interesting details are given by an anonymous author, in *The Royal Treasury of England*.

² This was either due to the real poverty of these counties in early times or to the imperfect hold which the Long Parliament had upon them, so that it assessed the taxes in proportion to its own ability to collect them. Davenant, *Essay on Ways and Means* (1695) p. 64.

trifling payments of men who had large estates in several counties¹.

The incidence of the indirect taxation was scarcely ^{incidence of taxation.} discussed with reference to the classes on whom it ultimately fell², but was none the less a matter of importance, because it was by the wise imposition of rates on different commodities that government could affect the balance of trade. It was soon seen that any course which proved an obstacle to 'trades enlargement' would have a permanent effect in reducing revenue; and that 'a little custom upon a great trade is equivalent to a great custom upon a little trade.' "Special care ought to be had therein by lightening our native commodities which will cause greater exportation, and charging it on the foraine which will hinder their importation, and yet they too selectively not all alike; and here it is worth remembering that a great part of foraine commodities brought for England are taken in barter of ours, and we should not have vented ours in so great quantity without taking theirs, for wee must not expect to bring away all their moneys, and our commoditis not much more necessary to them than theirs to us; but Cotton wools, Grograine yarne, Gold and Silver thrid or Wire, raw Silke and such others which with us are employed in sundry Fabrickes and Manufactures setting our poore people a work should be lightly charged especially for such a quantity of those manufactures as are again exported: but Sattins, Taffeties, Velvets, and such others as have their full workmanship abroad should bee well charged, which hindring them to be brought in such abundance, would employ our owne people in

¹ *Considerations touching trade* (1641), p. 12.

² Locke however argues that all burdens ultimately fell on the landowner. *Works*, IV. 55.

making the same sorts at home, but this must be done with caution, and by degrees insensibly, lest it be countermined. * * Provisions on victualls especially corne, Butter, Cheese, which are the poore mans food, who hardly advances more than will cloath and feed him at ordinary rates should be free of all such charges¹." It was useless to put very heavy rates on jewels and goods which could be smuggled, but wine and tobacco might be heavily charged as unnecessary articles of consumption. On the other hand at the time of the

A. D. 1695. struggle with France, Davenant² urges the imposition of duties on the necessities of life, as the surest way to raise a large revenue to which all citizens should be constantly contributing — nor did he seem to think the burden would be so oppressive as in other forms of taxation if the execution of the Assize of Bread and Beer was seen to, so that the middleman did not oppress the poor.

*Import-
ance of this
financial
expedient*

It would apparently have been a matter of the greatest difficulty for William III. to have carried out his policy of opposition to Louis XIV. so successfully as he did, if he had had no other means than these for meeting the terrible strain. By the creation of perpetual annuities he obtained the immediate command of resources, and was able to transmit the burden not only of repaying the loan, but of paying for the loan, to future generations. That such a burdening of posterity may be perfectly justifiable at a crisis in national history is clear, for all future generations of Englishmen benefit by the successful issue of such a struggle: it is equally clear that this financial expedient may give reckless princes—or reckless

¹ Robinson, *Trades Encrease* (1641), p. 8.

² *Essay on Ways and Means* (1695), p. 120.

corporations—a dangerous power of spending what other generations will have to repay.

This was seen by men at the time and the policy of obtaining loans was condemned by many sensible writers: *and its possible dangers.* in the eighteenth century the steady growth of the debt was observed with constant alarm: to discuss how far this policy has been necessary or has been justified by events is to enter on a speculation which does not concern us here: but a purely economical objection was urged against the course. It was said that so much money was diverted by these government loans from less profitable but more productive employment in industry or trade that the future of the country would be seriously affected¹. This might perhaps have proved a well-founded objection, for the government spent the money unproductively, and not in public works; but the privileges for banking which were given to the subscribers for the first perpetual annuities gave an impetus to commerce and the formation of capital, that did far more than make up for any loss that was sustained by the diversion of productive capital to the carrying on of the continental war.

§ 76. The establishment of a great corporation to *The Bank of Eng-* carry on a business for which, during the preceding fifty *land,* years, there had been a felt need was a most happy expedient, and the body thus founded at once obtained great public confidence. The requisite £1,200,000 were A.D. 1694. subscribed within ten days, and a corporation which was assured by parliament of an annual income of £100,000 was recognised as a wealthy body which would be able to meet the engagements into which it entered. As a consequence people were ready to entrust their cash to its keeping, and the Bank of England at once came to

¹ Davenant, *Essay on Ways and Means*, p. 42.

*by dealing
in the
forms of its
credit*

be preferred to the shops of the goldsmiths as a place for deposits—while the terms on which the new corporation took charge of savings were more favourable than those to which the public were accustomed. So far it fulfilled the functions of a bank as sketched by Robinson¹. But a much more important point was this: just because the public had confidence in the Bank, they were willing to accept the promises of the Bank, expressed on paper, as if they were actual wealth: they felt sure that the Bank had funds to give silver for its paper at any time, and therefore the notes, or paper promises of the Bank, circulated as readily as silver had done. Owing to public confidence the Bank was able to make advances, not in cash, but in promises-to-pay,—and we have an institution which traded in credit: it could make loans, not only out of the actual cash deposited in its coffers, but loans of paper promises, to the extent of its anticipated wealth from the interest due from government and the interest due from customers, while always reserving a cash balance with which to keep the business going.

*was able to
give loans
on easy
terms.*

The Bank, by being in a position to give loans on easy terms did an immense deal to develop the credit system of the country: all the advantages which Child had foreseen from a lowered rate of interest followed the founding of a society which could lend on easier terms: we may date the credit system of the country from this time, though strictly speaking it rather marks an immense extension of practices that were already in use. Merchants had long been in the habit of procuring advances on the expectation of successful adventures: landowners had borrowed on the expectation of increasing their wealth by sinking capital in their estates: they had got

¹ See above, p. 341.

wealth to use, on the faith of wealth they expected to have at some future time. It was because of their expected wealth that the goldsmiths had confidence in them—or to put it in another way that they had *credit* *Credit*, with the goldsmiths: they could thus anticipate the future, and by means of loans got their expected wealth for immediate use. It is rarely the case now that A has an unused hoard, while B sees possibilities of gain of which he cannot avail himself for want of funds. B's well-grounded anticipations—his credit—will enable him to obtain the use of A's hoard and thus realise his anticipations: the effect on the country at large is precisely similar to an enormous increase of capital, if a credit-system be developed; for none of the capital need be idle, but all can be employed in those quarters where there is the greatest probability of a large gain. But though *compared with capital*, the effect is similar, we cannot identify credit and capital: a man's credit with the public is a means by which he gets the loan of other people's hoards to use as his own capital. On the other hand when a man's written promises,—bills, cheques or other forms of credit—are accepted and circulated they may certainly be spoken of as wealth, since they are useful and scarce, and as money *and with money*, since they circulate as the representatives of other kinds of wealth. This however we must always remember, the forms-of-credit are much more perishable than other kinds of wealth, since their worth is destroyed by the failure of the anticipations on the strength of which they were issued: if a man's actual wealth at a given time turns out to be less than people anticipated it would be he is unable to justify the confidence which the public placed in him as a man of business, and his bills are depreciated or worthless.

Within a few months of its starting, the Bank of En-

*The
Bank's
credit*

*and the
goldsmith's
'corner'.*

A.D. 1696.

*Various
proposals
for*

gland had to undergo a severe ordeal: a manufacturer or merchant who trades in goods but adds to his means of trading by his credit, may retrieve a temporary suspension, but a bank which trades in the forms-of-its-credit, can hardly hope to do so: if its bills or notes are discredited the thing in which it deals is rendered worthless. The difficulties of the Bank were due to a conspiracy on the part of its rivals—the goldsmiths—who took advantage of the confusion caused by a re-coinage which had again become necessary. In the seventeenth century silver was the standard money—gold coinage being a convenient form of wealth, but not determining prices or the rates of exchanges with other countries. Although a good deal of new milled money was issued every year, the old hammered money which was badly clipped continued in circulation, while the new money was melted down or exported; so that any sum of money paid by tale only weighed a half or two-thirds of what it ought to have done. The effects were somewhat similar to those in Edward VI's reign, though at that time the coinage was debased, while at the end of the seventeenth century it was fine but very light. Various proposals for regulating the coinage were mooted; the recent experience of Holland¹ confirmed the arguments with which Sir Thomas Rowe had prevailed on the privy council in 1641, not to depreciate the coinage: and this step was never seriously thought of. But an equally unsatisfactory suggestion was made by Mr William Lowndes², whose position as Secretary to the Treasury gave weight to the design he advocated, of calling up the coin so that each light coin should have a higher denomination. The futility of this plan was fully

¹ Locke, *Works*, IV. p. 95.

² *An essay for the amendment of the silver coins* (1695).

exposed by Locke who answered Lowndes in detail¹. He had previously discussed the general objections to the scheme² and shewed that creditors and landlords would be defrauded, that uncertainty would be introduced into all dealings, that the royal revenue would suffer and that owing to the rise of prices which would necessarily take place, the general public would be in no way benefited by the change. These wiser counsels prevailed, with the result that in 1696 the business of recoinage at the old standard was undertaken. Though the loss was not now borne by the holders of coin, but by the State³, an institution like the Bank of England which had large monetary transactions was forced for a time to accept light money and pay in the new milled coin and was thus reduced to serious straits, which became a crisis when the old money was all called in and but small quantities of the

*the
recoinage
A.D. 1696.*

¹ *Further considerations concerning raising the value of money. Works, IV. p. 131.*

² *Considerations of the lowering of interest, &c. Works, IV. p. 86.* The side of Lowndes was supported by N. Barbon, *A discourse concerning coining the new money lighter* (1696), who argued that money took its worth—not from the intrinsic value of metal—but from the authority of the state, which added to the worth of the bullion by stamping it and rendering it current. His distinction between virtue and value, and whole doctrine of value is very clear. p. 6. He holds the value of money is due to the fact that it is authoritatively made current—like an inconvertible currency—and regards the increasing danger of large issues by counterfeiters as the limit to the power of the state to render coinage current. Barbon was very far from desiring to attract bullion to the country by raising the denomination of the coins, as he was one of the earliest expounders of the fallacies of the balance of trade.

³ Walker, *Money*, 214. The estimated loss was calculated at £1,500,000. J. Cary, *Essay on the State of England in relation to its trade* (1693), p. 34. He advocates very similar steps to those actually taken.

new had been issued¹. The project of starting a Land Bank had also seriously affected the older corporation, and the Directors were obliged to refuse to cash notes which were maliciously presented by the goldsmiths with the obvious design of ruining the Bank. They were not however successful in meeting the bona fide demands of creditors; their notes were depreciated and it was only by the assistance of parliament, which conferred additional privileges on the corporation, that they were able to raise additional capital and thus resume the position they had had at first.

*The South
Sea Com-
pany.*

The success of the Bank led to the formation of many rival schemes: the Land Bank of 1695 was never successfully floated: the first attempt at a Joint Stock Bank with no parliamentary sanction was put down; but the Bank had still to contend with the jealousy of Sir Francis Child and the other goldsmiths, and later with the rivalry of the South Sea Company. This was a trading and banking company which undertook the floating debt of the state in 1717, in return for 6 per cent. interest and certain trading rights. The value of these had been grossly exaggerated; the scheme was ill-advised and resulted in terrible disaster when the anticipations of the promoters failed to be realised. That there was room for additional banking facilities cannot be doubted, and an interesting account of the lines which were practically unworked is given by Daniel de Foe².

¹ A brilliant description of the state of affairs is given by Macaulay, *History of England*, IV. 696. Further details are furnished by McLeod, *Theory and Practice of Banking*, I. 402.

² *Essay on Projects* (1697), p. 45. He thought all the business might be done by a bank with a capital of £5,000,000. Loans on account of customs, on pledges, on land at 4 per cent., bill discounting, and foreign and inland exchanges might be undertaken by such a bank.

But the existence of the Bank and the new proof which it gave of the power of credit led to the formation of joint-stock companies for all sorts of purposes: among the most important were the London Assurance and Royal Exchange Assurance, to which corporations was granted a monopoly of marine insurance¹. As a result of the mania for floating companies the business of stock-broking came to demand and repay attention. As might have been expected an extraordinary crop of bubble companies soon saw the light. "There are and that too many fair pretences of fine Discoveries, new Inventions, Engines and I know not what, which being advanced in Notion and talk'd up to great things to be performed, when such and such Sums of Money shall be advanced, and such and such engines are made, have rais'd the fancies of Credulous People to such a height, that merely on the shadow of Expectation they have form'd Companies, chose Committees, appointed Officers, Shares and Books, rais'd great stocks, and cri'd up an empty notion to that degree, that people have been betrayed to part for their money in a New-Nothing, and when the Inventors have carried on the Jest till they have sold all their own interest, they leave the Cloud to vanish of itself and the poor

¹ Martin, *History of Lloyds*, 90. The recklessness of private underwriters served as a colourable excuse for giving a monopoly which was really granted by the crown in return for a promised payment of £600,000. Elizabeth had tried to regulate this business by a Court of Insurance, which was however of little use (*Ibid.* p. 34). The feeling against usury had long hindered the development of marine insurance, except in the form of loans on *bottomry*: in this case the insurer became a real partner in the adventure, and as he was not secured against the total loss of the sum advanced, he was not a usurer even though he received from the shipper a larger sum than he had provided. This was recognised in the old maritime codes. See Malynes, *Lex Merc.* 122.

Purchasers to Quarrel with one another. * * * If I should name Linnen Manufactures, Saltpeter Works, Copper Mines, Diving Engines, Dipping and the like for instances of this I should I believe do no wrong to Truth, or to some persons too visibly guilty¹." At the same time it must not be forgotten that it was just because of the real success of other ventures, made on similar principles, that these frauds could succeed: their existence shows that there was a rapid extension of trade conducted wisely and well. Insurance Business, Friendly Societies, and all sorts of really beneficial movements, some of which had proved successful abroad, were being promoted at the same time. In regard to many of them there was great difficulty, from inexperience and the entire want of the data which were necessary for carrying on such a business as that e.g. of managing widows' funds, or life insurances, though the necessary statistics were being gradually collected.

*Unem-
ployed
labourers.*

§ 77. While such schemes were ripening for rendering capital more generally available²,—and thus reaping similar benefits to those which accrued to the Dutch from their low rate of interest,—attention was also aroused to the contrast between the thrift and industry of populations abroad³, and the large numbers of idle paupers and vagrants who were found in our country. We have already seen how pressing this question appeared in the sixteenth century; it is just possible that the rapid

¹ D. de Foe, *Essay upon several Projects* (1697), pp. 11—13.

² Another important desideratum which may be alluded to here was the establishment of less expensive and more speedy means of settling disputes between traders. The establishment of a Court Merchant similar to the Dutch ones is constantly advocated in the various works that have been quoted.

³ John Graunt, *Natural and Political Observations* (1662), p. 36.

increase of trade before the Civil War did something to provide additional employment for the population, though the constant complaints continue; but the social disturbances due to the political struggle must have worked in the opposite direction, and the legislature was once more forced to interfere in the reign of Charles II. Contemporary pamphleteers ascribe the increase of pauperism partly to the inherent laziness of the population, and partly to the introduction of labour saving contrivances¹, which diminished the field for employment.

The weakest point of the final statute of Elizabeth had been that while it contemplated the setting able-bodied paupers to work, it did not make any proper provision for this purpose: surplus funds from the rates levied for the maintenance of the impotent might be thus used, but where no surplus came to hand nothing could be done in this direction². The chief difficulty felt was really the want of available capital. Misselden³ would gladly have seen a stock for this purpose raised by voluntary subscription in London; he calculated that £10,000 were given annually in promiscuous charity, and that if thus applied the money would do far more to relieve want. Others would have detained the poor, supporting themselves in such charity workhouses, till there were opportunities for sending them to the plantations⁴ where their work would be better bestowed. The opening up the country by deepening rivers⁵ or making

No fund available for setting them to work.

¹ Such as stage coaches (*Grand concern of England, Harleian Miscellany*, viiii. 524) or knitting frames (D. de Foe, *Giving Alms*, 428, 439).

² See above, p. 264.

³ *Circle of Commerce*, p. 137.

⁴ H. Robinson, *Trades Encrease*, pp. 13, 43.

⁵ Yarranton, *England's Improvement*, p. 64.

better roads¹, or draining the fens², was another favourite plan for providing useful work; and the advocates of developing our fisheries claimed to have suggested a solution of the difficulty.

Industrial Schools. One great difficulty in the way of many of these schemes was that the paupers were unable to work at the trades which could be most easily set a going. With a view of remedying this it was proposed that spinning-schools should be everywhere established. The German schools were held up as models. "Upon the benches sit about two hundred children spinning, and in the Box in the middle of the room sits the Grand Mistress with a long white wand in her hand. If she observes any of them idle she reaches them a tap. * * And I believe this way of ordering the young women in Germany is one great cause that the German Women have so little of the twit twat³." Besides the linen manufacture, the iron trade was one which seemed capable of great development.

Had capital to start such industries been suddenly forthcoming, the superfluous labour of the country might have flowed into directions where it would be available; but since this was not the case, the spontaneous move-

¹ D. de Foe, *Essay on Projects* (1697), p. 75.

² This scheme was perhaps more obviously than any of the others, suggested by the example of the people of Holland. Proposals were made in Parliament, in 1597, though little appears to have been done till 1631. Compare W. Dodson, *Designs for the perfect draining of the great level of the Fens* (1665). Also C. Vermuden, *A discourse touching the draining of the Great Fennes* (1642). See below, p. 400.

³ Yarranton, *England's Improvement*, p. 45. It is curious to find an early advocate for industrial schools attributing the increase of pauperism to the diffusion of learning among the poor by free schools. J. P., *Of Trade* (1700), p. 47.

ments of the vagrant class gave rise to much difficulty. *Vagrancy.* The legislature tried to prevent vagrants from flooding particular parishes, and to render the burden of supporting the poor more equal in different parts of the country. But these measures, which were eminently necessary, had an unsuspected effect in checking the flow of labour to those districts where it could be most usefully employed. As aliens could never become chargeable to the rates, the restrictions which hampered the English labourer or artisan, in seeking for employment, did not operate in the case of Scotch or Irish immigrants.

It had always been recognised that those who were born, or who had, for some not very clearly defined time, lived in a parish were to be supported out of its rates if they became impotent; and each parish was careful to guard itself against receiving people who might possibly come sooner or later to require support from the rates. Active men had been in the habit of procuring testimonials from the parishes from which they hailed, to prove that they were not mere idle vagrants. By defining the time of inhabiting—forty days—which gave a man a settlement, and thus a prospective right to come upon the rates, and by providing for the division of very large districts, the Act arranged for a more vigorous administration. Each parish received powers to remove a possible burden from its own shoulders, and men who could give no security that they would not become chargeable, were sure to be removed by the authorities of any locality they entered before they had resided for the six weeks which gave them a settlement. This led to the disuse of the practice of hiring for long periods¹, which had been universal till that time; and when other

*The Act of
Settlement,
A. D. 1662.*

¹ Adam Smith, *Wealth of Nations*, Bk. 1. chap. 10.

and its
effects.

means of procuring a settlement—by apprenticeship or by marriage—came to be recognised¹, there was a disposition in many parishes to discourage the rising generation from entering into such relationships; in other cases those who had friends in a distant parish were unwilling, by procuring a new settlement, to break off with their old district, and were very reluctant to marry, when they could well afford it, and were perhaps morally bound to do so. In these ways the Acts of Settlement led to a general loosening of long recognised social ties². They had been intended to enable parishes to defend themselves against an invasion of idle poor³; but that of Charles operated so as to prevent the industrious artisan from taking advantage of opportunities which offered of bettering his position. The inconvenience of insisting on such rigidity in social arrangements was soon felt, and an exception had to be made in 1692 in favour of soldiers or of artisans in the employment of the crown⁴; while a system of certificates was introduced a few years later which gave greater facilities for the reception of labourers or artisans in districts where they could find employment, without their obtaining a settlement even after continuing to inhabit in this new parish for

¹ 3 and 4 W. and M. c. 11.

² Alcock, *Defects of the Poor Laws* (1753), p. 19. *Britannia Languens* (1680), p. 155.

³ Whereas, by reason of some defects in the law, poore people are not restrained from going from one Parish to another, and therefore doe endeavor to settle themselves in those Parishes where there is the best Stocke, the largest Commons or Wastes to build Cottages, and the most Woods for them to burn and destroy, and when they have consumed it then to another Parish and att last become rogues and vagabonds to the great discouragement of Parishes to provide Stocks where it is lyable to be devoured by Strangers. 14 Car. II. c. 12.

⁴ 3 and 4 W. and M. c. 11.

years¹. But the most important relaxation was that made in 1797, when it was enacted that the removal of a poor person to the parish which was bound to support should only take place when he was actually and not merely prospectively in need of help².

But after all, these enactments were not capable of *Providing* curing the difficulties connected with the poor: they had *employ-* reference to the distribution of the poor over the country, *ment* but the real problem was as to finding them employment. There was plenty of natural material to work upon, and plenty of labour to work; the difficulty was that of finding the means of supporting these people during their labour, and thus setting their industry agoing. For this all sorts of plans were proposed: some were for establishing workhouses where vagrants should be compelled to labour³; others proposed to provide a stock of materials so that the poor might be set to work at their own homes⁴; some wished each parish to make this sort of arrangement for its own poor, while others proposed *in work-* to unite all the parishes in one town, or in one hundred, *houses,* and get them to act together in the matter. The first A. D. 1695, practical experiment which was carried out was the workhouse at Bristol⁵, and this achieved such an extraordinary success in reducing the rates, and carrying on a profitable business, that one town after another followed the ex-

¹ 8 and 9 W. III. c. 30.

² 35 George III. c. 101.

³ *Stansley's remedy*, quoted by Eden, *History of the Poor*, 1. 165.

⁴ Firmin, *Proposals for the Employment of the Poor* (1678). It was reprinted by Mr Gilbart in 1787, along with several other tracts on similar subjects, as *A Collection of Pamphlets*.

⁵ 7 and 8 Wm. III. Private Acts, c. 31. Workhouses are mentioned before, as at Exeter, 18 and 19 Car. II. c. 9, but they appear to have been intended for the detention of poor persons accused of felony and awaiting trial.

ample, until workhouses were established generally throughout the country.

*which were
at first
self-sup-
porting.*

So long as domestic industries continued, and until the factory system was introduced, these workhouses were tolerably successful, but they were deficient in some elements of permanent success. The country had commenced by settling labourers in certain districts, and had then attempted to provide capital for the employment of labour in these places. The better course, from a purely economic standpoint, would have been to apply capital in those districts where it would prove most remunerative, and to permit the free flow of labour to places where capital was being applied¹. The Act of Settlement had disastrous social results, but it also acted as a check on the specialisation of industry, and consequent development of the resources of the country.

*Estimates
of the
strength of
the country*

§ 78. While these various expedients for improving the condition of the country were under discussion, there was an increasing desire to look back on our own history and judge more accurately what the condition of the country had been and actually was. We have seen above that the amount of bullion in the country was commonly regarded as an important source of strength; but along with this it had been always recognised that a large population was also necessary. The jealousy of enclosures in the time of the Tudors had disclosed this feeling, and the doubt as to the value of plantations was due to a similar view. Both for recruiting the army, and for keeping up the industry of the country, a large population was needed; and the earliest essays in statistics were

¹ Graunt (*Nat. and Pol. Observations* (1662), p. 37), saw the danger of underselling the industrious poor by furnishing capital, at parochial expense, for the vagrants; but the best statement of the evils will be found in D. de Foe's *Giving Alms no Charity* (1704), p. 442.

directed to an examination of the numbers and power of increase among the people of this country.

The special occasion which drew the attention of John Graunt, a London citizen, to this enquiry, was the Great Plague, and the ravages it caused. There had been plagues in 1603, 1625 and 1662; and from the earliest of these dates deaths had been registered, and their causes roughly classified, in London. The only data of births were furnished by the registers of baptisms, which served roughly, till the triumph of Puritanism in 1648 brought about such neglect of Christian ordinances that a marked disparity between deaths and baptisms began to appear¹. Conclusions as to the country population could only be reached by assuming that a particular parish in Hampshire was fairly typical of the other 10,000 parishes. Inaccurate as these data must have been, they went to show that the population of England was increasing; and that though London was increasing with extreme rapidity, its growth was not injuring the rest of the country. This was an important practical result, as both in the time of Elizabeth and Charles I. attempts had been made to limit the size of the metropolis, partly on grounds of health—and that it was more unhealthy than the country Graunt's figures shewed—partly on account of the danger of riots from a disorderly mob, and partly because of the difficulty of supplying such a huge city with provisions and water². It would have been a serious hindrance to our competition with Holland, if an arbitrary attack on the

¹ Before that date baptisms about equalled the deaths every year: in that year they were about two-thirds of the number, and yet the increase of building rendered it obvious that the population was not declining. Graunt, p. 43.

² Robinson, *Trades Encreas*, p. 5.

metropolis, and the granting of special immunities and privileges to provincial towns, had interfered to prevent trade from localising itself at the best point. A similar enquiry regarding population, from more extensive data was undertaken by Sir William Petty in 1682. He came to the conclusion that London doubled in 40 years, and the whole population in 360; he prophesied that London would reach its greatest possible limit in 1800; but he generally confined himself to arguing on the actual state of the country, and his conclusions were of much greater value than the more speculative opinions of his contemporaries¹.

*Estimates
of the
amount of
the treasure*

A much greater amount of attention than that bestowed on the population was devoted to the question whether our treasure was increasing or not; the continental wars since the Restoration had rendered the state of the treasury a matter of the first importance, as it was necessary to support an army, and more especially a navy; and thus it not only interested those who felt bitterly against Holland, but those who dreaded the rising power of France. The success of Louis XIV. was such that it seemed impossible for any European combination even to prevent him from acquiring an universal empire; and not only was there the political danger which arose from this preponderance to be feared, but the growth of the industry and commerce of France under the régime of Colbert had been as startling as that of Holland at the beginning of

*founded on
the state of
the balance
of trade,*

the century. It was a matter of eager enquiry from year to year whether England was holding her own against these rivals—and this, it seemed, could be best determined by investigating the state of the balance of trade. The Custom-house returns gave data from which fairly ac-

¹ *Several Essays in Political Arithmetic*, p. 20.

curate conclusions could be drawn, though the amount A.D. 1682. of smuggling and the frauds of the revenue collectors introduced some elements of uncertainty. Farther than this, the more accurate returns from the Mint were used *and of the issues from the Mint,* to show how much bullion had been coined, and both returns seemed to prove that the treasure of the country was decreasing, and that we were losing by the balance of trade¹. But though this opinion was widely diffused, and many remedies were suggested, it rested on a misapprehension. The careful and accurate observations of *were proved to be mislead-* Petty went to show that the very opposite was the case²: the rate of interest had fallen even without the intervening. tion of the laws, while at the same time the expenditure of most classes had increased, and this sufficiently proved that the country was richer. Of the increase of our shipping there could be no doubt, and that the population was also growing he had proved from figures. He believed too that there was more probability of the trade of England developing than that of France³. Holland⁴ had already shown signs of losing ground. To contemporaries he seemed too much of an optimist, but events have shown that his judgment was sound. By rivalling the Dutch in energy in shipping and in founding new settlements abroad, and by imitating the facilities they possessed for amassing and applying capital, England had so far developed her natural advantages as to be ahead of Holland in the race for wealth, and therefore had come to be her decided superior in power.

¹ See especially Fortrey, and *Britannia Languens*.

² Petty's *Pol. Arithmetic*, p. 256.

³ *Ibid.* 220.

⁴ Temple, *Observations upon the United Provinces*. Works i. 80.

III.

THE REFUTATION OF THE MERCANTILE SYSTEM.

79. The balance of trade no criterion of industry. 80. State regulation *v.* demand as determining the direction of industry. 81. Nationalism and Cosmopolitanism. 82. Summary.

*Advance
in indus-
trial re-
sources,—
skill,*

§ 79. THE introduction of greater facilities for the use of credit marks a time when the economic system of the country had reached a high state of development. If we glance back to the earliest condition in which we have found our ancestors existing, we are struck with the enormous strides that had been made. There had been immense advances in human *skill*: even in warfare and pasturing cattle—the sole arts of nomadic life—enormous changes had taken place. The improvements in the one lie beyond our sphere, the improvements in the other—especially in Tudor times—had made England the great centre of the wool and clothing trades. All the arts of tillage, with the various improvements from extensive culture to intensive, to the threefold system, and to a convertible husbandry had come into being. The changes from the simple skill required in making chattels for domestic use, to the multifarious employments in which men were trained to do honest work under the gild régime must have been still more striking; and when we come to such matters as skill in navigation, energy in opening up new tracts of country and avenues of

trade, we find no corresponding side in the ancient life of wandering nomads with which a comparison can be made. All these various forms of skill were a great national possession, acquired by the experience of centuries, and applied and improved by each generation as it passed the inheritance to its successors.

But still more striking was the difference that was due to the increased display of *forethought*; not only a care for the future in tending and maintaining a flock or herd, but that involved in sowing for a winter's crop; *forethought* too in the improvement of land, by manuring, enclosing and draining; in providing a stock of tools and materials for carrying on different industries; in the building of merchant ships and fishing boats. Very great had been the effect of the conduct of those who stored wealth in confidence that some employment would present itself for the employment of their capital: but most marked of all was the *forethought* which could count upon the results of future production with such confidence as to anticipate them as means of production and facilities of exchange. The stores of wealth in the hands of different capitalists, and the resources at their command in consequence of their credit, gave the most palpable proof of the economic progress that had been made by the English people.

There certainly were at the opening of the eighteenth century great economic capabilities; and just because they were so great, it became a matter of intense interest to see how they could be best used for the good of the whole nation. Just because capital and the power of credit were in private hands, there was a danger that they might be selfishly used by individuals for their private good and not for the advantage of the community as a whole. That this conflict between private and public

*Conflict of
public and
private
interest,*

taken for
granted.

interest existed had always been taken for granted. Edward III. had no doubt of it when he legislated with the view of maintaining reasonable prices for producers and for the consuming public, and to decrease the gains of middlemen; the towns had no doubt of it when they committed the regulation of different crafts to the good men of that craft, who were to put down bad work and surreptitious gains; the land reformers of the sixteenth century had no doubt of it when they agitated against the evils of landlordism; the House of Commons had no doubt of it when they protested against the evils that came from the granting of patents; and thus it might be taken as a generally recognised fact, "whereby it may appear how necessary it is that the public profit should be in a single power to direct, whose interest is only the benefit of the whole¹."

National
Treasure

So long as the amassing of treasure in the country was the chief means of maintaining power and of stimulating trade, there could be no doubt that the national interest lay in obtaining a balance of bullion year by

¹ S. Fortrey, *England's Interest and Improvement*, p. 4. A passage from Davenant is also worth quoting in illustration of this view. From Mr Gregory King's calculations, "it seems more to the National Interest of England to imploy its Land to the Breeding and Feeding of Cattle than to the produce of Corn. * * 'Tis true in these Matters Men are apt to follow what they think their particular Profit, but the Influence of good Laws would go a great way towards inclining them more to pursue what is for the General Advantage: and indeed the private Concerns of Men should be always made subservient to the Public Interest. Nor is force at all needful to bring this about; for Men in most of their Measures, where the Administration is wise and steady may be induc'd to pursue the common welfare by directive Laws, by Examples from the Prince and the great Ones, and by some few not very expensive Encouragements." *An Essay on the probable means of making a people gainers in the Balance of Trade*, 1700, p. 59.

year. But as the nation realised the power which it possessed of meeting emergencies by drawing on the future, and became habituated to a national debt, the amassing a treasure was no longer a necessary piece of statecraft. The interest of the nation did not lie so much in the procuring of that kind of wealth which could be most easily treasured, but in developing its industry and commerce so that it might be able to bear the burden of interest and if possible pay off the principal of its debts. In the eighteenth century we still have constant attention paid to the balance of trade; but appeal is no longer made to it, as shewing the state of the Royal Treasury, but as furnishing a criterion of the general industry of the country. In this way the doctrine of the balance of trade continued to dominate over almost all the writers, and all the legislation of the first half of the century. We still have the State trying to promote the good of England, regardless of her dependencies, and in antagonism to other states; we still have systematic interference with the direction of trade and industry, but we enter on a new phase of the Mercantile System. All this is undertaken, not so much with the view of immediately affecting the power of England by the balance of bullion amassed, as of obtaining great gains not only for individual traders, but for the nation as a whole: whether the regulations for promoting industry were successful in this aspect or needed amendment might, it was thought, be learned from the state of the nation's balance.

Only after the time of Adam Smith was this policy really overthrown, but there is great interest in tracing the steps by which its foundations were gradually sapped. Undoubtedly the chief factor in destroying it was the bad result of even the best intended legislation, just as the

of the
growth
of opinion.

system of granting patents had been condemned by its results; but the spread of opinions which tended to discredit the attempt to regulate the course of trade, contributed in some degree to the introduction of new industrial and commercial conditions. The growth of opinion prepared the way for our giant industry and world-wide commerce, and must be at least briefly touched upon here.

Consumption and
production
A.D. 1680.

The belief that the balance of trade afforded a good index to the industry of the country rested on the opinion that we might identify our products with our exports and our imports with our consumption.

identified
with im-
portation
and ex-
portation,

This is clearly marked in a book entitled *Britannia Languens*, where the author constantly speaks of our "consumptive importations". The analogy with an individual householder who consumed more than he produced by his earnings was constantly kept in view: as it is obvious that such a man would come to poverty unless he either increased his earnings or diminished his expenditure, so it is true that a nation which consumed more than it produced would come to poverty also: it was however a mistake to suppose that imports so far tallied with consumption, and exports with products, that by balancing the two we could judge of our industrial condition¹. This error was clearly exposed by Nicholas Barbon, who wrote as follows: "By Traffick and Com-

¹ *Britannia Languens*, Section 12.

² Under this view of the importance of rightly adjusting the balance of trade there is of course less temptation to overstate the importance of gold and silver. Davenant writes "Gold and Silver are indeed the measures of trade, but the Spring and Original of it in all countries is the Natural or Artificial Product of the Country, that is to say, what their Land, or what their Labour and Industry produces." *Discourses on the Public Revenues and on the Trade of England*, Part II. 1698, p. 15.

merce the Merchant Owners of Ships and Sailers grow *but quite*
rich, by being paid for carrying away the Surplus of what *erroneously,*
is improved more than can be used in the Country, and
exchanging for something that's useful which that country *A.D. 1696.*
could not produce." * * "It is not material what sort
of Foreign Wares the Surplus is Exchang'd for, whether
they are perishable or not, for they do not lessen the
Industry of the People; which is easily prevented by
putting such a Duty upon them as may make them too
dear for common use. For the Merchant, and those
that are concerned in Shipping, grow rich, and get as
much by importing Wines, Oils, Fruit and other perish-
able Goods, as they would do by importing Iron, Copper,
Silver, Gold, or other Goods as durable." * * "So that
the question of which Nation thrives most cannot be
determined by observing which imports most goods in
value that are perishable; but by observing which im-
ports most of such sorts of goods that must increase or
lessen the industry of the People; and which Nation
imports or exports most of such goods by which the
greatest number of the inhabitants are made rich. This
can never be discerned by the value of goods in the
Custom House Books, or by any other calculation that
is proposed for taking an account of the balance of
trade. For tho' a Nation should import and consume *so that the*
balance of
trade is
not a
satisfactory
index.
less in value of the Foreign Commodities than are ex-
ported of the Native, and the rest which is Balance
should be Bullion, yet such a Nation may grow poor and
be undone." "And the importing of Wines or any other
commodities that are only for the use of the richer sort of
people, which do not hinder the Labour and Industry of
the Nation, are as profitable as the importing of Bullion.
So that the taking an account of the Poverty or Riches of
a Nation by such a Balance of Trade, from the Value of

the Goods, if such accounts could be taken would be of no use¹." The lucid argument from which these sentences are extracted seems however to have received no special attention either at the time of publication or afterwards.

*Closer
study of the
phenomena
of trade*

§ 80. This statement did not greatly influence popular opinion, but the constant study of economic phenomena with the view of introducing such regulations as should improve the condition of industry and trade was very instructive. The new proposals were not really for the most part more beneficial than the old; but the failure of one expedient after another, which was demonstrated by the propounders of new nostrums, had gradually prepared the public mind for giving up the whole attempt, and accepting the Natural System to which Adam Smith called attention. Other important points were also incidentally elucidated: the method of raising the revenue underwent a great deal of discussion, and the incidence and indirect effects of taxation, which had hardly been examined before, came to be more clearly understood²; when we consider how much of the taxation of the country was indirect, and how frequent were the suggestions for modifying the tariff in one direction or another, we may feel that this was no slight gain.

*and ob-
serve the
results of
State
regulation*

It is unnecessary to attempt to describe in detail the elaborate system, constantly altered as it was, by which the government endeavoured to regulate industry and trade for the public good; all trades are so interconnected that it is impossible to favour one class without putting

¹ *A Discourse concerning coining the New Money Lighter*, (1696), p. 49.

² See for example J. Massie, *Reasons humbly offered against laying any farther tax upon Malt or Beer* (1760); who calculated (p. 7), that the Malt-tax would cost the people nearly four times what it produced for the State.

some others to a compensating disadvantage: it was the interest of the agriculturalist to get good prices for corn and wool; it was the interest of the manufacturer to obtain these articles cheap, but to sell cloth at a good price; it was the interest of the merchant that the quantities exported should be as great and as cheap as possible. These various interests were not compatible; each regulation which the friends of the one passed, affected the others injuriously; and all had a prejudicial effect on the long-suffering consumer.

All this may become clearer if we mention a few cases where regulations for the promotion of one particular trade were found to have bad effects. Some instances have been given above in considering the Navigation Act¹; but others, where the acts passed with the object of protecting a particular industry really led to its subversion, are more conclusive. This was said to be the case with the English staple manufacture—the woollen trade.

“The year before the Peace of Ryswick, the English, *in protection of English woollen manufacturers* jealous lest Ireland, by being able to work the Woollen goods cheaper than they could do, would by that means supplant them in foreign markets, took the following occasion to cramp their Free Trade with other Nations which they then enjoyed. * * It was agreed that Ireland should lay a tax of four shillings in the pound on all Woollen Goods exported to foreign markets. Upon this England became fearful that the Irish not having as before the opportunity of their foreign trade, might prejudice the English manufactories, by importing woollen goods to England cheaper than we could have them here: And therefore they prohibited the importation of Woollen Goods from Ireland to England, except only to

against Irish competition

¹ See above, p. 317.

the five Wool Ports, and subjected all such goods to duties laid on them by antecedent Acts." By these means the English succeeded in extinguishing the Irish manufacturing. "What now could the Irish do? not having a proper vent for their manufactured goods, they were glad to seek out for foreign customers for their unmanufactured wool. Thus we subverted the Irish manufactories, but at the same time gave a great advantage to an enemy, much more formidable than the Irish could have been to our English trade. For the French took this opportunity of getting Wool combed from the Irish, who were willing to do something at least towards manufacturing it¹." Nor is this a solitary instance of hurtful legislation which had been ignorantly designed to increase this very trade. It had been an object from time immemorial to prevent the export of raw English wool so that other nations might come to us for cloth: but after a most elaborate study of all the legislation, and all the proposals that had been made with reference to this industry, the author of the *Memoirs of Wool* came to the conclusion that this policy had been unsuccessful, and that a system of bounties on the manufactured article must be inaugurated instead².

*Depressing
the enter-
prise of
sugar
planters
in English
colonies*

Another instance of damaging an industry by attempts to favour it may be taken. "So that when *British Sugar* was loaded with an increased charge of 3s. 9d. per 112 Pounds, from which *French Sugar* was at the same time exempted, the *British Sugar* Planters were so far able to preserve the Foreign *European Sugar* trade, that there were annually, and for seven years, re-

¹ S. Webber, *An Account of the Woollen Manufactories*, quoted in J. Gee's *Trade and Navigation* (1730), p. 117.

² John Smith, *Chronicon-Rusticum-Comerciale, or Memoirs of Wool*, II. 557.

exported from *Great Britain* about *Ten Thousand Hogsheads of Sugar*: but from the time that the Legislature was pleased, upon the representations of the *British Sugar Planters*, to put them in a Capacity of sending their *Sugar* to foreign markets 3s. 9d. per 112 Pounds CHEAPER than they could when 10,000 Hogsheads of *Sugar* were annually re-exported from hence, the said Planters have WHOLLY LOST the foreign *European* sugar trade. * * If any Person would know the TRUE CAUSE of our not having had the said profitable Branch of Trade for Twenty Years past, I must beg leave to tell him it has been occasioned by not permitting foreign *Sugar* to be imported into this kingdom, upon the payment of only *moderate duties*; for the want of such a Permission put it in the Power of the *British Sugar-Planters* to make a Monopoly of *Sugar* here; and the monopolising of that commodity at home, being *Five Times* as profitable to them as selling *Sugar* Abroad, they have taken CONSTANT CARE to do the ONE but have left the FRENCH to do the OTHER¹." by giving them a monopoly of the English market. A.D. 1757.

If attempts to benefit a single trade were so hurtful to that trade, it is useless to trace the indirect effects on other branches of industry. So clear had been the failure of legislation to regulate trade beneficially, that there were certain Free Traders who argued that the true way to render the balance of trade favourable was to do away with all indirect taxation, but to issue licences to individuals for the consumption of different imported luxuries, so that trade might be absolutely unfettered. The abolition of all customs would enable our manufacturers to obtain raw materials and to work them more cheaply, while it should remove a great burden from our mer- Abolition of all customs recommended,

¹ J. Massie, *A State of the British Sugar Colony Trade* (1759), p. 27.

chants, so that we would be able to export our products much more cheaply, and thus to undersell other nations. The cost of carriage would suffice to give our manufacturers the advantage over foreigners in supplying the home markets. "Perhaps it may be wondered at, that no Bounty should be proposed as a means to restore trade, but if a Free Port¹ will gain us all those trades that we are naturally capable of, it will appear to be itself the greatest Bounty, and in endeavouring to force Nature the Expence is certain, but the Success doubtful."

as a means
of ensuring
a favour-
able
balance,

"If the Imports of Britain exceed its exports, we must pay the Balance in Treasure, and the nation grow poor. The Imports cannot exceed the Exports in any country where the Trade is free." These sentences are taken from an anonymously published *Essay on the Causes of the decline of the Foreign Trade*², which was written in 1739; it argues on behalf of Free Trade as the means of opening more extensive markets, and so increasing the vent for our commodities that the balance would be more decidedly in our favour. But this association of Free Trade views with anxiety as to the Balance of Trade was not wholly new, although it had never been so consistently expressed before, for there is hardly one of the particular proposals made by this writer, which had not been previously urged by Robinson³, or others. Still his essay marks a further

¹ "I mean that all sorts of merchandise be imported and exported at all times without paying any Customs or fees." *Essay on the Causes of the Decline of Foreign Trade*, p. 56.

² Macculloch, *Literature*, p. 329, attributes it to W. Richardson: it contains a proposal for raising supplies which differed from that brought forward by Sir Matthew Decker in *Serious Considerations on the several high duties* (1743); but Postlethwayte (*Great Britain's True System*, 1757, p. 175) attributes the *Essay* to Decker also, and he is followed by Adam Smith.

³ *Proposals to the Peoples Freedom and Accommodation* (1652), p. 11.

step in the discrediting of the Mercantile System. It had already been shown that neither as a political object, nor as an industrial criterion, was the Balance of Trade worth much consideration; and now it was shown that State regulation was not such a good means for making the most of the national resources as that of leaving manufacturing unencouraged and trade unhampered. *Laisses faire, laissez aller.* Instead of relying on the government to direct the production and trade of the nation into the most profitable channels, the author argues that all production should be made as cheap as possible, and implies that the nature of the home and foreign demand would mark out the directions of industry which we were naturally best fitted to pursue. Hitherto the policy had been that of encouraging a supply of those articles which appeared, on political or other extraneous grounds to be most beneficial to the nation, and when this was accomplished to create, by treaty or otherwise a 'vent for our surplus;' the policy of *laisses faire* was first proposed as a better means of circumventing foreign competitors in all markets.

§ 81. It has been noticed above that underlying the doctrine of the Balance of Trade was an assumption as to the effect of trade on the power of the country: those trades, like that of shipping, which developed the strength or any which added to the treasure of the country ought to be prosecuted at all risks, because they increased the power. But other nations, with similar ambitions for the prosperity of their own country, might adopt similar expedients: it was very soon obvious that the balance of trade could not be in favour of each nation at the same time; as all adopted a similar policy the rival national ambitions led to a commercial competition which was just as truly an attempt to overcome a rival country as

as demand would determine the most profitable direction of industry, better than State regulation had done.

Political and Commercial Rivalry.

open warfare would have been. Under these circumstances the expediency of engaging in this keen commercial rivalry needed to be proved almost as much as the expediency of declaring war, and one writer in the seventeenth century recognised the fact that a cessation of these national jealousies, would be for the common advantage of all countries that traded with each other¹: the spread of cosmopolitanism since that time has done much to destroy the political basis of the Mercantile System.

It has been too readily assumed that the commercial writers of the seventeenth and eighteenth centuries ignored the loss that arose from this national rivalry; but this was not the case. At one time it was argued that by gradually changing our tariff to their disadvantage, we might benefit ourselves considerably before the other nations found out what we were doing and retaliated². A more common opinion was that our natural advantages were so great—in that we supplied necessities to other nations while we only consumed their

*A war of
Tariffs.*

¹ "That the whole World as to Trade is but as one Nation or People, and therein Nations are but as persons. That the loss of a Trade with one Nation is not that only, separately considered, but so much of the Trade of the World rescinded and lost, for all is combined together. That there can be no Trade unprofitable to the Public, for if any prove so, Men leave it off: and wherever the Traders thrive, the Public, of which they are a part, thrives also. That to force Men to deal in any prescribed manner, may profit such as happen to serve them, but the Public gains not because it is taking from one subject to give another." Dudley North, *Discourses upon Trade* (1691), Preface. After this vigorous statement of principles, the body of the work which is chiefly directed against the bullionists, rather than the mercantilists, proves singularly disappointing.

² Robinson. See above, p. 346.

luxuries—that we could get on better than they, even if the course of retaliation led to a practical cessation of trade: England as the industrially stronger country could sooner or later force other nations to accept her terms, and might therefore fearlessly engage in the bitterest commercial struggle. But after all the struggle was in itself costly: just as a favourable treaty would secure the advantages won in war but might be perhaps obtained by the diplomacy of a well-armed power, so it seemed that commercial treaties might be made which would secure most of the advantages without any of the losses of a successful contest of tariffs.

Commercial treaties had of course existed for a long time, perhaps from the time of Charles the Great and Offa of Mercia: for many centuries they had been intended to secure protection for the person and property of English merchants travelling in foreign lands: subsequently they had been intended to secure a footing for English traders by the side of exclusive gilds and leagues: in the eighteenth century they were intended to provide an open market for English goods, or a vent for our surplus.

That the framing of such treaties was an immense advance on the old struggles for mastery, and beneficial to both parties who agreed to refrain from attacking one another's trade is obvious: but an unexpected change followed, in its wake. A certain stability was introduced into our commercial relations by these treaties: while the struggle was going on, it might be a duty to sacrifice one's own interest for that of the mother country: but when the position of the mother country was rendered secure the case was changed. There was some reason in depressing the trade and manufactures of our colonies for the sake of supporting our own active

*Commercial
treaties.*

*Political
interests*

*led to the
commercial
depression
of the
Colonies.*

power to maintain the cause of the English race at home or abroad, but there was not the same excuse for creating a permanent subjection of the interest of English settlers to the interests of English merchants at home. The impatience of the disadvantages at which the colonists were placed grew stronger, till at length the decline of the French power in North America removed the fear that had forced them to submit to the disadvantages at which they had been constantly placed. In spite of Dr Price's able advocacy¹ the more liberal policy towards the colonies, which he proposed, was not carried out in our treatment of the richest lands that had been appropriated by men of English race.

*Little
gratitude
fell to
English
capitalists.*

The line that was taken by those who advocated the continued subjection of the colonies to England is somewhat instructive. It could hardly be maintained that under the new order of affairs the settlers were contributing by their sacrifices to the growth of the power of the country relatively to rival powers: it was to the interests of a single class that their manufactures were sacrificed; but it was contended that the wealth of the colonies had been developed by English capital and English credit, and that common gratitude demanded that they should continue to pay for the start which had been thus given them. But the colonists felt that against all the advantages which had been derived from the use of English capital,—on which Englishmen had earned their fair profit,—was to be set the long account of disadvantages to which the colonists had been put from the days of the Navigation Act till the War of Independence deprived the controversy of any practical importance.

*Increasing
cosmopolis-
tanism.*

Before that time, however, the attempt to use trade as a means of gratifying national ambition and outstripping

¹ *Two Tracts on Civil Liberty.*

national enemies by profiting at their expense had greatly lost its hold. The most popular of the commercial writers of the middle of the eighteenth century discards it: to his mind the competition between nations is a healthy rivalry which induces each people to do its best'. His language still reminds one of the system that had held its own so long: but there are signs of that cosmopolitanism which characterises modern Political Economy, and which is quite inconsistent with that intense national feeling which had its natural outcome in the Mercantile System.

Before the seventeenth century closed that system *Adam* was undermined, but the credit of its overthrow will for *Smith and* ever rest with Adam Smith. It was the work of his *A.D. 1786.* genius to combine into one system the separate criticisms which had been urged by different writers, and to bid us embark on a wholly new course instead of merely improving our old methods. It is easy to show that he did not do justice to the writers he criticises, and still more simple to prove that his different recommendations had been anticipated by various writers, English or French: none the less is it true that by adopting a new standpoint, and by the synthetic power which he brought to bear on these isolated hints, he introduced principles which worked extraordinary changes in English industry and commerce.

"All systems therefore either of preference or re- *the system* straint being thus completely taken away, the system of *of Natural* natural liberty establishes itself of its own accord¹." But *Liberty,* this system of natural liberty implies an entirely new standpoint: it starts with the individual and individual

¹ Malachy Postlethwayt, *Great Britain's True System* (1757), p. 134.

² *Wealth of Nations*, Book IV. chap. 9.

*and pur-
suit of
National
Wealth.*

desires, not with the State and with national ambition. Again, as each man aims at his private gain, wealth pure and simple—as the aggregate of private gains—comes to be the subject of study: it was not so in the mediaeval industrial system, when the promotion of good work at fair rates received more attention than anything else, nor was it so in the two centuries that followed the Reformation, when national wealth was desired as a means to attaining national influence. The pursuit of wealth, not as a means, but as though it were an end in itself, has been the distinguishing feature of the last century of English industry and commerce. Under the system of natural liberty individual energy has been allowed free play in striving lawfully for private gain, and the extraordinary increase of inventions and discoveries indirectly testifies to its power. Under the system of natural liberty too, individual enterprise has defined the directions in which the national stock shall be used, and has thus led the people's industry to lines on which it responds to a world-wide demand.

*The Body
Economic,*

§ 82. The acceptance by the government of the country of the principle that the free play of private interest gave the surest means for the rapid development of the resources of the nation, was one of the most important turning points in the industrial and commercial history of the nation. The stage we have reached is one at which we may well pause to review the gradual growth of the body economic.

*its forma-
tion,*

Through the earlier part of the history of our race in this island, it was hardly possible to speak of one body economic at all: the life of the people was sustained by the action of a large number of little village groups, each of which was practically independent of the rest, and each of which met its own wants by its manage-

ment of its own resources (§§ 17, 18). But the development of trading gradually brought about the differentiation of these villages, and in the Great Survey we find that the land was held and used by men who were united in social groups of two distinct kinds—the manors and the towns. All of these groups were forced into a real political connexion by their dependence on the crown, and there was doubtless a measure of industrial interdependence between them as well (§§ 25—27). The growth of foreign trade under the Norman kings led to a farther differentiation; the towns made very rapid advances in wealth, and in political power, while the population of the manors did not share in these advantages, to anything like the same extent (§§ 32—34). But it was in the time of Edward I. that we first find these various groups really united, for industrial and commercial purposes, into a single whole, with a government which attempted to control simultaneously the economic resources of the entire realm. Till the time of Edward I. we have to consider the formation of *and growth* a body economic; from his time onwards, we can trace its growth (§ 41).

The growth of the body economic in mere *size in size* during four centuries from the time of Edward I. was very remarkable. His legislation had no influence on the northern parts of Great Britain, or on the sister island; but in the time of Queen Anne the English government took account of the resources of western lands which were unknown in the middle ages, and English subjects had a firm footing in the East, where perhaps no European traveller in Edward's time ever penetrated at all. When we fix our attention on the vast increase of the portion of the earth's surface under English control since the Hanoverians came to the

throne, we are apt to underrate the importance of the additions that had been made before that time (§ 73).

and in
hardiness,

Quite as important has been the increasing *hardiness* of the body economic. When we read the stories of mediaeval chroniclers, we are constantly struck by the accounts they give of the terrible effects of bad seasons or of some similar visitation. To us it seems that there was strangely little power of meeting sudden emergencies; and just because each part of the country was chiefly dependent on its own unaided resources, there was no means of holding up against a temporary, and perhaps a very local, reverse. As better communications were opened between different parts of the country, and when there was a constant trade with foreign lands, it was possible for one district to obtain aid from another, so that the effects of the strain were distributed over a larger area, and each part of the country was better prepared to face a serious emergency.

and in-
crease of
specialisa-
tion,

Another most important change has been the development of the resources of the country through the increasing *specialisation of industry*. It is obvious that certain localities have a natural fitness for certain industries; this is most clear in the case of mining. The position of many towns, and their special facilities for procuring certain raw products have had similar effects. In some cases it is hard to see why some locality is particularly adapted for the industry that flourishes there, but the fact remains that there has been a constant specialisation of function in different parts of the body economic, and that as a consequence, it is capable of accomplishing a very much greater amount of work of every kind (§ 77).

Most striking of all has been the increase in the ef-

fective power of the government *to control* the different *and of* parts of the body economic. Edward I. could only *attempt* to give a greater protection to travelling merchants, and to furnish some slight facilities for security in the conduct of trade; even in Edward III.'s time, the ordinary police regulation was entirely in the hands of local authorities, and the conditions on which any industry should be carried on, were determined by the arrangements imposed in each locality. The special customs of each locality have given place to a more general control, and the government became solicitors not only as to the *position of foreigners* within the realm, but it also began to regard the *manner* in which native industry was carried on, as a matter of public concern (§ 48). In later days it tried to pay attention to the *sort* of industry that was pursued (§ 49), and subsequently to keep an eye on the *directions* in which trade might prove most profitable (§ 70). Still more, the government eventually made provision for maintaining those who were past work, and to find employment for those who were able to do it (§ 59). All these matters have come to be considered things of public concern, with regard to which the government may well have a care, and about which it should certainly exert its influence.

It would of course be a mistake to suppose that any *by the* of these matters had been entirely neglected before the *State.* functions came to be discharged by the State: roughly speaking it would be true to say that the State only tried to carry out everywhere what had been already successfully accomplished in isolated districts. In the Custom of Ipswich we find the model of Edward I.'s legislation. In the regulations of the craft guilds of London we see the forerunner of Elizabeth's statutes, and so in every case. When this work was undertaken by the central

*Freedom
for private
enterprise.*

government, all districts shared in the benefit ; but there was another and equally important effect. As the central government superseded the local authorities, individual citizens were less hampered by regulations than they had previously been. If the lord of a manor, or the authorities of a gild, were responsible for the conduct and diligence of any individual, they were obliged to force him to keep within their reach ; but when the central government undertook similar functions his movements were not thus hampered. Private enterprise had given many proofs of its vigour, and the government had endeavoured to guide it into the wisest channels for the common weal ; and the change of policy at the end of the eighteenth century did not mean that the State was abrogating the function of caring for the development of trade, but that it had found out a new means of accomplishing the old object. The vigour of private enterprise had at one time been condemned as introducing social disorder—as had indeed been the case—but it could not be repressed. Then the State had endeavoured to regulate the direction of a force it could not keep down, but that attempt had ceased to lead to satisfactory results ; and thus the government came in time to permit the free play of private enterprise in almost all directions, as the wisest course for developing national resources.

*Progress of
Society un-
doubted.*

Thus it is that since our forefathers settled in this island, the industry and commerce of the whole country have become organised, and the economic organism has developed : in size, in hardiness, in more complete specialisation of function, in power of effective control, the growth has been most noticeable ; and the history of the body economic is a story of startling progress.

Yet when we turn from considering the condition of Society as a whole, to look at the life of the various indi-

viduals who compose it, there is much more difficulty in instituting a comparison, and in deciding whether the progress of Society has been for the well-being of individuals or not. Apart from the difficulty of finding data for a comparison¹, it is almost impossible to see how to apply any measure. With which of the many ill-defined grades of modern Society are we to contrast any of the few but definite classes of the time of Edward III.? Nor is it possible to obtain an absolute standard of comfort by which to compare the well-being of individuals who lived some centuries apart. If we regard a man as well off who is in a position to *satisfy his felt wants*, the villein in Richard II.'s time was probably better off—except in very bad seasons—than the artisan in the present century. But if any one repudiates the mere notion of material comfort as savouring of a gross utilitarianism, and argues that the man "who feels more wants is a higher being," and has attained to a better, if perhaps a less contented, life, there may be still greater difficulty in finding a standard of goodness by which to compare the two. Without attempting such a difficult investigation, we may say that it is not obvious that modern merchants are more alive to the duty of mutual assistance than the good men of the Town Gilds, or that modern artisans are more careful in furnishing good work than the craftsmen of former days. Society has

¹ We should need a great deal of confirmatory evidence before we could trust to any single contemporary picture of life, as e.g. in Langland's *Piers Plowman* or in the political songs; as we cannot tell that the cases are described without exaggeration, or whether they are really typical. It is merely ludicrous to generalise a description, from one or two single instances, of the position of the peasant in the middle ages. The accurate records of the rations supplied for work done by villeins (see above, p. 198 note) are much more trustworthy.

very difficult to estimate.

made extraordinary progress, and its parts are more adapted for rapid production and intercommunication, but whether individuals are either happier or better, we have no means of judging, and do not know.

Nor need we greatly care to speculate idly on this subject. It is easy to fix our eyes on the special evils of life long ago, till we teach ourselves to contemplate the sorrows and struggles of living men and women with purblind complacency, while we thank God that we are not as our forefathers were. It is easy too to turn from the miseries of the present in half despair, and dwell with delight on the excellences of an idealised but most unreal past. Our task has been to try and understand the past: we are not called upon to condemn it, and to regret it would be idle; it is enough if we can so far profit from bygone experience of success or failure as to make the most of the present, and do our best for the future of the English nation.

VI.

CONCLUSION.

83. Political Economy and Modern Industry. 84. Competition and the Relative depression of Labourers. 85. Population and means of subsistence. 86. Effective demand, and the direction of Capital. 87. Private Enterprise and Social organisation. 88. Past, Present and Future.

§ 83. So far we have endeavoured to trace the growth of English industry and commerce as an organic part of the national life, in its connexion with the political condition and culture of each stage of Society; but as during the eighteenth century the industrial system came to establish its position as a more independent factor, the method we have pursued ceases to prove satisfactory. So soon as industry and trade came to pursue their own end —wealth—and to assert their independence from the guidance of statecraft, their course and progress can be better understood by recognising this fact and treating them as though they were almost isolated from other social phenomena. This is the treatment which the pursuit of wealth receives in modern Political Economy, this is the current tone in which industry and commerce are habitually pursued, and this is the point of view from

*Pursuit of
wealth for
its own
sake.*

which the recent history of English industry and commerce can be most satisfactorily described. The events of a time can only be truly described when we enter into the ideas of the time, which gave them their colour : according to modern ideas, the pursuit of wealth can be carried on, and its conditions studied, without direct or conscious reference to other sides of human and social life.

*Political
Economy
as an in-
strument*

*for investi-
gation*

The body of economic knowledge which has been gathered and systematised from this modern point of view possesses a very high and not always sufficiently-recognised value. Social phenomena are very complicated, the mass of facts which are brought under one's notice in connexion with any trivial trade controversy is enormous, and there is an immense advantage in finding ready to one's hand in Political Economy a body of knowledge by which, when we isolate a certain number of the complicated factors, we can trace their normal effects and thus detect more easily the influence of the conditions which lie outside the well-marked group of phenomena which Political Economy investigates. In a similar way it gives us an admirable aid for discussing the value of any new charitable or other scheme that is proposed. We can thus judge not of its whole results but only of some of its aspects, though these are among the most important. If the proposal be economically sound it will support itself and continue its beneficial results for long ; if it be economically unsound it requires for its continued existence, and still more for its growth, the maintenance and development of a charitable sentiment. We cannot afford to neglect a body of knowledge which gives us such help as this, even though it deals only with a group, and not with the whole range of social subjects.

If the assemblage of facts which have to be taken into account in any one social question is great, the piles of information which can be obtained in regard to the industrial and commercial history of the last hundred years are simply overwhelming. In order to grapple with them at all, it would be best to isolate them as completely as possible, and to treat the course of events as roughly exemplifying the recognised principles of Economics, and as exhibiting the tendencies which Economists study, but partially counteracted in actual life; and it would scarcely be advisable to enter on this new task here. Our present economic system has been spoken of as independent, inasmuch as modern business pursues its own aim, impatient of any external control, but it has, none the less, had a decided bearing on, and been influenced by, modern politics and modern culture. This system is after all the outcome of a certain stage in our national life; its continued maintenance and its development depends on intellectual and moral considerations which do not lie within its immediate view; in the remaining paragraphs no attempt will be made to describe our modern industry and commerce, but only to indicate their bearings on other sides of national life.

§ 84. While attention is called to the marked differences which characterize the modern as compared with earlier industrial and commercial systems, it would be a great mistake to suppose there was any sudden break in the continuous course by which one phase has succeeded another. Some space has been already devoted to an account of anticipations of the views which were systematized by Adam Smith; and in many directions the "natural system" had established itself long before he wrote. Indeed its attaining a footing, and then a su-

*and for the
presenta-
tion of
recent
history.*

*Continuity
of indus-
trial*

growth,

*and
gradual
introduc-
tion of com-
petition.*

premacy, had become almost a question of time from the period when competition was first recognised as a fair means of settling prices and wages. According to the natural system, competition forces capital into the most profitable channels; competition stimulates each capitalist to make the most of his resources, to adopt new processes and inventions, and thus to open larger markets for his goods; competition for remuneration too keeps labourers up to the fullest expenditure of their energies, and by these means has given the very greatest stimulus to rapid production. Bit by bit, as the gild regulations were evaded or fell into disuse, as industries arose on which no special care was bestowed, and finally when the attempt to regulate the direction of industry by statecraft fell into disrepute, competition came to have a larger and larger share in determining commercial affairs—though never to be the sole factor deserving consideration in the economics of our social system.¹ In regard to a gradual change of the kind it is difficult to assign any definite date: the bakers' trade in London² was perhaps one of the earliest where the free play of competition was felt, as it seemed undesirable that any regulations should give even the appearance of monopoly to dealings in the food of the people. The Statute of Apprenticeship, passed in the fifth year of Queen Elizabeth, required that every workman should serve a seven years apprenticeship, and that no master should have more than two apprentices; besides this, wages were to be assessed by the justices, and in so far as by this system, a general enforcement of the old gild regulations, was kept up, the free play of competition

Bakers.

¹ The most palpable case is the determining of farm rents which are rarely fixed by mere competition with no regard to other than pecuniary considerations.

² K. Marx, *Das Capital*, 245.

was greatly checked. To some trades which were afterwards introduced¹, however, the statute scarcely applied; such was that of the framework-knitters where the free play of competition may be noted from early in the eighteenth century. In the woollen trades the old system was nominally maintained till the present century. But the progress of mechanism, and the new conditions under which manufacturing of all sorts could be more profitably conducted after the invention of the steam engine eventually won the day, and free competition with its stimulative effect on all kinds of production came generally into vogue.

Under the social code of Elizabeth the length of hours, the rate of pay, and other conditions of industry had been affected by legal regulations, though not generally fixed by statute; but in the new state of Society this was no longer the case. It is often said that any law which prevents a man from working as long as he likes, and as hard as he likes, so as to increase his earnings as much as he can, is a serious injustice to the skilful and diligent man; and from this point of view there appear to be great advantages in allowing the length of hours, the amount of wages and so forth, to be settled by free bargaining between the employer and employed. It is worth while to observe however that, as was remarked above, in every case of bargaining, one man stands in a better position for obtaining favourable terms²; the sailor has an advantage over the savage, the pedlar over the farm-servant, and can thus make a considerable profit on his transactions. In the bargains between a capitalist and labourer this is still the case; the capitalist has a store of wealth and is less anxious

Framework-knitters.

Effects of competition in causing

the depression of labourers relatively to capitalists.

¹ Brentano, *Gilds*, 115.

² See above, pp. 63, 254.

about immediate results, and he is in the stronger position for bargaining. If competition be free, the terms of their agreements with labourers are likely to show that the class of employers have not neglected the advantage which their position gives, while they may sometimes tacitly combine to render their advantage more secure.

The relative

To state this is not to bring any accusation of hardness against Masters, but only to give the explanation of a fact which has hardly received sufficient attention. Under a régime of free competition there is a constant tendency for the position of Labourers as compared with that of Capitalists, to be rendered worse : at each change in the method of conducting an industry when the relative

though not absolute,

reward of Capital and Labour is re-adjusted there has been a depression of the labourer. It is scarcely possible that in a rapidly progressing Society any class of the community should be absolutely worse off than the corresponding class in last century: English wealth has increased enormously, but the share of the labourer has not increased so much or so fast as the whole wealth of the country, or as the shares of other classes. We do not need to face the difficulties indicated above, or to find an absolute standard of comparison, in order to be convinced that the wealth of labourers has not increased so rapidly as the wealth of capitalists. Under the régime of free competition, which has been dominant for more than a century and a half, but which existed in its purest form between the repeal of the Statute of Elizabeth and the passing of the Factory Acts, there is a constant tendency

depression of labourers.

for the position of labourers to be depressed relatively to that of Capitalists. We need not suppose with German socialists that this state of things is intentional, for many people are wholly unconscious of the circumstances which have just been noted; but the existence

of a tendency under the régime of free competition to depress the position of the labourer relatively to that of the capitalist, is so clear, when we review a considerable period of time, that it would seem impossible for the most self-satisfied optimist to shut his eyes to it.

We may contrast the position of our manufacturing population as it was described in 1728, with that which it had attained through the marvellous progress that was made in the succeeding century. "The Muscovites liv'd on that Employ; that is to say they did not immediately perish; but the Truth is, they might be said to starve at it, not live at it. But our labouring Poor really live, keep Families, pay Taxes, Scot and Lot, as we call it, wear good Cloths, eat the Fat, and drink the Sweet. * * By the good Pay the Weaver and all his Dependent Tradesmen are encourag'd to make the Wares good, by the Goodness their credit abroad is kept up, by the Credit the Price, and by that Price the Wages: one *Hand washes t'other Hand* and both the *Hands* the *Face*!"

In 1842 Colonel Perronet Thompson wrote from Bolton to the "*Sun*." "Did you ever set eyes upon a pennyworth of Mutton? Come here and you shall see how rations are served out. * * It might bait a rat-trap, though a well-fed rat would hardly risk his personalities for such a pittance. Pennyworths of mutton and halfpennyworths of bread cut off the loaf are what the shopkeepers of Bolton deal out to the inhabitants. I saw a woman come for one halfpennyworth of bread which was to be the dinner of herself and children twain. * * I saw another mother of a family who said she had

¹ D. de Foe, *A Plan of the English Commerce* (1728), p. 61.

² H. Ashworth, *Recollections of Richard Cobden, and the Anti-Corn-Law League*, p. 58.

not tasted meat for many months; and on one of the children being sent off to the butcher's for some of the strange luxury, she was discovered making many efforts to intercept the messenger. Her anxiety was to instruct the boy to bring back nothing but one pennyworth of bacon: there was a to-morrow, and to-morrow, and to-morrow, for which she had conceived the idea of spinning out existence by means of the remainder of the fund. If you are curious in human misery, * * come at your leisure * * and see what the people sleep upon when they do sleep. Chopped dirt, the sweepings of a hen-house mingled with a proportion of sparrows' nests, to shew that men had heard of straw, would be the best representatives of what they huddle upon and call it resting."

contrasted.

These pictures, both of which are amply borne out by other evidence¹ might almost seem to shew that the labourer was not only relatively but absolutely worse off: much more, and much more varied evidence would be needed to support such a conclusion. They may however serve the purpose of raising the strong presumption that the position of a large mass of labourers had by no means improved, while on the other hand the diagrams in Appendix IV. delineate the enormous increase of the wealth of the country, much of which must have accrued to producers,—but to the capitalist rather than the labouring class of producers. That this relative depression has

¹ The evidence before various Royal Commissions confirms the statements about the later period. In regard to the earlier date see Playfair (*Letter on Agricultural distress*, 30), whose careful collection of figures in his excellent *Commercial Atlas* gave him a right to speak authoritatively, as to prices and wages: he does not take sufficient account of the difference of industrial conditions, however. Also Mill, *Pol. Ec.* II. c. 11, § 2, notes.

been due to the insensible action of free bargaining between Capitalists and Labourers, may be seen both from a consideration of the effects of the first introduction of competition in different quarters, and from the observations of contemporary writers.

It has been stated above that different industries came under the régime of free competition at different times. While Daniel de Foe was writing of the prosperous condition of the manufacturers who were affected by the statute of Elizabeth, the overworking and underpaying of the London bakers whose industry was free from all such regulation had already begun. The framework-knitters, in whose case the statute was ignored, were in even worse plight as early as 1710, and in the middle of the century "there was often only one coat in a shop which was worn by each in turn as he went out from its precincts".¹ As each trade in turn came to be set free from all state or gild regulation the depression of the labourers relatively to the employers in that particular industry began. This is a most important point, because it renders it obvious that the later misery was not really due to any general cause that affected all classes of labourers equally, such for example as the raising of prices by the corn laws, or a natural tendency of population to increase more rapidly than the means of subsistence. The misery of the labourers in 1842 can neither be wholly ascribed to the selfishness of the landed interest, nor to the improvidence of the poor: these may have been accelerating causes, but the first downward steps were taken in each industry when the free play of competition gave opportunity for the gradual but constant depression of labour: and the same tendency rendered it impossible for labourers

Relative depression of labour due to the action of competition, as seen from the history of its introduction,

¹ Felkin, *History of Lace Manufactures*, p. 82.

to recoup themselves when other distress came upon them.

*and from
contem-
porary ob-
servation.*

Farther evidence of the same kind may be found in the opinions of authoritative writers in the eighteenth century, who observed the course which matters were taking. Sir James Steuart writes, "Why do large undertakings in the manufacturing way ruin private industry, but by coming nearer to the simplicity of slaves?" Adam Ferguson believed that the progress of society brought about a moral and intellectual degradation¹, and of this, the labourers' condition towards the middle of this century, the Commission Reports give sufficient evidence, though we have no definite information which will enable us to institute an exact comparison with the state of things last century.

*Means by
which com-
petition
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depression.*

We can not only recognise the reason of this general tendency, but can see the particular occasions on which it has come into play. The various expedients which capitalists have adopted with the view of reducing the expense to which they are put for labour have been lengthening the hours of work², employing children³ or apprentices to do the work, and thus leaving no field for those who had learned the trade; it has been by the insensible adoption of these practices on a larger scale, as they proved remunerative, rather than by any sudden resolution that the tendency has shown itself. But the most striking fact is that an enormous increase of production has been taking place during the whole period which has seen the steady depression of the labourer. The practice of carrying on

¹ *Enquiry into the Principles of Political Economy*. Works, I.

p. 225.

² *History of Civil Society* (1767), 280—285.

³ Marx, *Das Kapital*, 233—302.

⁴ *Ibid.* 411.

industry on a large scale so that the division of labour *Division of Labour.* could be generally introduced has tended to the increase of production, but not to the direct benefit of the producer. The large capitalist who combines many trades in one business,—as, for example, the printer who does the binding of his books and manufactures some of the materials he uses—or the capitalist who divides some production into many departments, to each one of which men are specialised—is the only man who comes in contact with the outside market, either for materials or for wares, and finds the advantage of this knowledge to strengthen the position he already has for driving favourable bargains. And so too with the introduction of machinery, which has so often followed the extended division of labour, it has given rise to a greater opportunity to substitute the labour of children for that of adults, and owing to the value of the fixed capital it has rendered capitalists more anxious than before to extend or keep up excessive hours of labour¹. The superiority over Labour which Capital has gained by its greater fluidity has been fully maintained, owing to the diminished importance of the labourer in production as a mere “hand” working by the side of valuable machinery.

The introduction of the spinning-mule is the event *Introduc-
tion of
Machinery* which may be taken as marking most clearly the development of the factory system, with all its concomitants of production on a large scale, minute division of labour

¹ The possible compensations in the greater cheapness of the product to the labourer as a consumer of his own goods, and in the extended demand for goods increasing the demand for labour diminish its force, but do not reverse the tendency. For the great effect they sometimes have, see Baines, *History of Cotton Manufacture*, 446, 491. The subject is thoroughly discussed in Nicholson's *Effect of Machinery on Wages*.

*destroyed
the domestic
industry of
farming
populations,*

and introduction of machinery, and this change had a remarkable effect on rural districts also. Agricultural employment is irregular, since the amount of labour required at some seasons of the year is so much greater than that needed at others, and it was therefore the practice in many counties to unite a considerable amount of domestic manufacturing with rural pursuits. "In the year 1770, the land in our township (Mellor, fourteen miles from Manchester) was occupied by between fifty to sixty farmers; rents, to the best of my recollection, did not exceed 10s. per statute acre; and out of these fifty or sixty farmers, there were only six or seven who raised their rents directly from the produce of their farms: all the rest got their rent partly in some branch of trade such as spinning or weaving woollen, linen or cotton. The cottagers were employed entirely in this manner except for a few weeks in the harvest. * * Cottage rents at that time, with convenient loom-shop, and a small garden attached, were from one and a half to two guineas per annum. The father of a family would earn from eight shillings to half a guinea at his loom; and his sons, if he had one, two, or three alongside of him, six or eight shillings each per week; but the great sheet-anchor of all cottages and small farms was the labour attached to the hand wheel; and when it is considered that it required six to eight hands to prepare and spin yarn of any of the three materials I have mentioned, sufficient for the consumption of one weaver,—this shows clearly the inexhaustible source there was for labour for every person from the age of seven to eighty years (who retained their sight and could move their hands) to earn their bread, say, one to three shillings a week without going to the parish¹." Now though there were many counties in

¹ Baines, *op. cit.* p. 337.

England where there were no manufacturers, and which are distinguished by Daniel de Foe as being, on that account, specially poor, the textile industries were however very generally distributed over the country. Nottingham, Derby, Stafford, and Cheshire had a share of the cotton manufacture¹, of which Lancashire and the West Riding have always been the headquarters. The woollen trade of different kinds was carried on at places as far apart as Somersetshire and Yorkshire, and centred round towns as far separated as Exeter, Sudbury, Norwich, Kendal, and Whitney². The linen trade had been even more generally diffused, and could be pursued to some small extent almost everywhere. But the introduction of the large system of production gathered some of these cottagers into mushroom villages, which grew into factory towns, while those who were left in the country became wholly dependent on what they could earn by irregular farm work.

This had never been much; competition wages and rents had been in vogue since Tudor times, though limited by the statute of Elizabeth, and the corn laws; in so far as these laws had protected the agricultural interest at all, they had benefited not the labourer nor the farmer, but the landlord³. But now the labourer was obliged to bargain for a wage which would support him all the year round, as he had no other means of support: to the farmer labour became more expensive as he had to pay for the support of a man during his whole time, while the labourer was deprived of the chief opportunities for supplementing his agricultural labour by other employments. The same generation too, which

¹ Baines, *op. cit.* p. 386.

² *Querist*, query 520.

³ H. Ashworth, *Cobden and the League*, p. 159.

saw the decline of the domestic manufactures by which the labourer had so greatly increased his income, saw a new era of agricultural improvement¹ with more enclosures, combination of small holdings, and all the other phenomena with which we have been made familiar in the sixteenth century. While the labourer suffered severely through the decay of domestic industry, the cost of labour to the capitalist for purely agricultural purposes was very greatly increased: and the organisation of labour, which could be most profitably carried out on large holdings², came to be a matter of the first importance. Such were the steps of the depression of the labourer in rural districts.

*Effects of
Competition
on Po-
pulation.*

§ 85. This tendency which was becoming so powerful in all directions, has had very marked effects on Society: to its action may be traced the wholly new character which all discussions as to the increase of population have assumed. We have not had much occasion to discuss the question of the size of the population at different times, because we have so few data on which to proceed; but we have no reason to believe that up till the middle of the fourteenth century population increased so rapidly as to present any difficulty; the slowly developing tillage, industry and trade sufficed to provide sufficient employment. So far as we can judge, population did increase, but only increased in proportion to the increasing means of subsistence. Even after the

*Increase in
middle
ages;*

¹ The latter part of the eighteenth century saw the formation of many agricultural Societies, and systematic enquiries into the state of tillage in different countries and in foreign lands; as well as great undertakings like the complete draining of the fens. Vancouver, *Cambridgeshire*, App. 1.

² *An inquiry into the connection between the present price of provisions, and the size of farms*, by a Farmer (1773), § 1.

changes which followed the Black Death, and the shock which Society then received, we find evidence of the existence of a considerable vagrant population, and the disturbances caused by the Wars of the Roses, the enclosures, and finally by the Civil Wars, prevented the class from being absorbed in the new industries that were opening up; there is no sufficient evidence that during the long period when the statute of Elizabeth was at least partially enforced, there was such an increase of population as to render the struggle of the industrious labourer more severe—either in consequence of a diminished remuneration for his work, or of an increased difficulty in supporting the unemployed; we have no evidence of a disproportionate increase of the people. All contemporary writers who discussed the question of population investigated the subject, because they regarded population as one of the elements which contributed most obviously to the military power and industrial resources of the country, and desired to see it increasing. This is the form which the problem took in the mind of Sir James Steuart: he is interested in tracing out the causes of the increase of population. He notices that there is a physical limit to the increase of population in the production of food, and he asks how the production of food may be increased. At first sight it might seem that the direct stimulation of agriculture was the best way to go to work; but farmers will not grow additional food unless they can by the sale of that food procure additional goods: it is the development of industry which provides a larger supply of useful wares, and thus increases the power of purchasing food: the increase of industry is the real means of moving back the physical limit to the increase of population¹.

*but checks
removed by
industry.*

¹ Steuart, *Political Economy*. Works, i. p. 35.

*Removal of
physical
limits,*

The régime of competition has developed the industrial production of this country in the most extraordinary way; any quantity of statistics could be obtained to prove this if a proof were needed; but the merest glance at the accompanying diagrams and maps will show that whether we take the exports or the revenue of the country as the basis of comparison, or look at the extension of our dependencies, English industry, on which its trade depends, has increased by leaps and bounds under the modern régime. Indeed ordinary intelligence is so dazzled by the figures that testify to the increase of our industry, that it has no power to perceive any features in our modern life which give cause for aught but gratulation.

*and incentives to
increase.*

While the physical limit to the increase of population has thus been removed by the obtaining in an increased industry a greatly increased stimulus to the production of food, the régime of free competition has given a direct incentive to the growth of population. By the introduction of machinery the labour of children came to have a greater value, relatively to that of adults, than it had had while the statute of Elizabeth held its place; the factory hand was pecuniarily better off, if he had a large family. In rural districts the operation of poor relief was very similar.

*Removal of
moral
restraints.*

Quite as potent was the influence of the new régime in removing the motives to prudential self-restraint that had previously existed. While industry was conducted on a small scale it was possible to guess at the probable openings, and to calculate the difficulties of putting a boy out in the world. The terms on which a boy could be fitted for work were well understood and the conditions of employment fairly regular; but industry on a large scale has been industry with extraordinary fluctuations,

which gives occasional employment to a large number of hands, but finds constant work at full time for comparatively few. The opportunities for getting work when trade is good are frequent, and in bad times each must take his chance with the rest. This irregularity of employment has been most patent in the case of coal mining in recent years ; but there were crises with similar effects on the labour market in the earliest days of giant industry.

The effects which followed from the removal of the physical limit, and simultaneous deadening of preventive checks, while direct incentives to the increase of population were given, were sufficiently startling. They were noted, and the course of the events of a few years generalised into an universal law by Mr Malthus. The figures from which he argued scarcely went back beyond the era of almost free competition, and as a statement of the growth of population under this condition, before and since his time, in this or other countries, his law appears to be fully justified : population tends to increase faster than the means of subsistence. But just because it is an accurate statement of the growth of population under free competition, it is a misleading description of the state of affairs during the much longer period of time and the much larger area of the world's surface where competition has been practically unknown. We can only accept this law as expressing the force of a physical tendency in human nature, if we neglect the evidence as to the difference in the rate at which population increased before and after the era of competition. Nor, even remembering the ravages of the Plague, are we at liberty to assume at once that the action of positive checks was very much more sure during the whole course of the middle ages than at the beginning of this century. If

Recent increase of population

in accordance with the law of Malthus,

which is however a misleading expression for any period but one of free competition.

wars were frequent, the armies were comparatively small, and the loss of human life from this cause was not like that in a modern campaign, where the most improved instruments of destruction are in use. He would be a bold man who would say that the sanitary conditions of factory life are so much better than those of the mediaeval yeoman's, that the disease and infant mortality in the earlier time kept down the population, while it increased with startling rapidity in our own century. The effects of competition in the depression of the labourer's standard of living, and deadening of his prudence, mark such a striking change in the increase of population, that it is undesirable to attempt to include the whole course of its growth in any single formula.

*Effects of
relative
depression*

§ 86. Another way of expressing the fact that is implied in the gradual depression of the labourer is to say that the power of the labourer to satisfy his wants had not increased so much as that of other classes and that the purchasing power of labour became relatively smaller: and this depression was quite compatible with a considerable increase in the nominal wages of labour. While the peasant could keep a cow or some geese on the waste, and cut his fuel there, he was not forced to rely for his sole support on what his money could procure: still more, in those counties where the agricultural labourer could also obtain work as a weaver, he had double opportunities of employment, and was not reduced to such very low straits by the mere fluctuations of trade. Apart from the question as to the value of money, the comparison of mere wages does not give us a sound basis for conclusions: it must be remembered that rates of wages at present do, and a hundred years ago did not¹, represent the labourer's entire power of

¹ His neglect of this fact, and reliance on seventeenth century

satisfying his wants. Nominal wages may rise, and yet the labourer's power of buying what he needs be diminished. However this may have been the power of the labourer to satisfy his wants has not increased so fast as the power of the Capitalist to satisfy his. In so far as this repression of the labourer has taken place, the effective demand for our commodities at home has not increased in accordance with the requirements of the increasing population. *on the home demand.*

In former days when the direction of trade was subordinated to political considerations, it was deemed a matter of great importance that the country should be self-sufficing: that is to say, that its wants should be supplied from its own resources, so that its wealth might be as little as possible affected by the state of its relations with other lands. *The former self-sufficiency of our country* This was one of the chief reasons why attempts were made to protect the agricultural interest, so that we might always be able to count upon a supply of food however much our shipping was attacked. So too Daniel de Foe remarked on the strong position of our manufacturing interest, because all the materials of our chief industries were obtained from our own land or our colonies. In the course of time, however, the regulations by which this self-sufficiency was maintained were found to work so badly that they were gradually repealed—the corn laws holding their place for the longest period.

Had the effective demand of our labouring classes grown rapidly with their increasing numbers, capital would have been called into the direction of supplying

statistics, the inaccuracy of which has been pointed out above, lead me to distrust Macaulay's (*History*, i. 418) picture of the labourer in 1685. Undoubtedly trade was far less brisk then, and the labourer worse off than forty years later.

*has given
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dinary in-
stability*

*through
our com-
mercial de-
pendence
on other
lands.*

their wants : instead of this the increased demand for our goods has come from abroad. This world-wide demand has been so great as to give an extraordinary stimulus to particular branches of trade, but the effect has been that English capital has flowed, and drawn English labour in its stream, into the directions that were pointed out by the demands of foreign countries, not by the demand of our own. And this has introduced an extraordinary degree of instability into all our industries : the state of our chief trades depends directly and immediately on circumstances which lie as completely beyond our control as the state of the weather. Depending as our manufacturers do, not only for a sale, but for materials and food on foreign countries, any social change in foreign lands or rupture between foreign countries, may be a most serious matter. In older days the policy of our country determined the direction of our trade : in the present generation there is a danger lest the needs of our trade should reconcile us to a policy that has for its sole object the avoidance of disturbances, which, in the interests of our industry, it would be recklessness to face. The civil war in the States opened our eyes to the dependence of one great branch of our trade on that country : a quarrel with any European power might seriously endanger our food supply : while there is hardly a petty quarrel in any distant region which does not affect the demand for our goods. Just because England has come to be the workshop of the world, she is no longer self-sufficing nor mistress of her own fate. This has been very prominently borne on most minds—even during a period of peace—by the hostile tariffs of other countries and their effect on our trade. However true it may be that such tariffs affect the wealth of the country that imposes them more than they affect ourselves, this is comparatively

beside the mark, so long as they inflict and are likely to continue to inflict a very serious blow upon the industries by which we live.

But without taking any pessimist view of our future, we must yet notice the uncertainty which our dependence on distant markets introduces into our trade. It is difficult for individual manufacturers to forecast the course of events so as to adapt the production to a world-wide demand: and therefore we are forced to produce as largely as possible so as to enlarge our sales by the cheapness of our goods. We are constantly suffering, not indeed from over-production, but from *ill-judged production*, and the result has been that uncertainty of employment and fluctuations of wages have been constantly affecting our labouring population for many years past. Few things can be so demoralising as the frequent change from comparative plenty to extreme poverty, and yet this is the condition under which masses of our labouring people habitually live. It is easy to ridicule the extravagancies of miners, and equally easy to moralise on the improvidence of the poor: but considering that they have been reared in a chronic condition of uncertainty, where there is little or no opportunity for acquiring the *habit of regular* saving, we are justified in saying that their improvidence is more their misfortune than their fault.

The attempt to maintain our trade and increase it by supplying our goods at lower prices, has had other injurious effects. "It is certainly a wrong maxim which some People dogmatise so very much upon, *vis.* that it is the general Interest of this Nation to reduce the Price of their Manufacture. It is true there are some old Notions which chime in with this Piece of trading Policy, *viz.* that the Cheapness causes Consumption, and that by under-
and too cheap production

selling other Nations we shall carry away the Trade from them : and there is something popular in the Notion too ; But it will not hold in all cases, and particularly not in our Manufacture. *First*, I insist, that if you would reduce the price of our Manufacture, by reducing the Wages of the Poor, who are the Workers or Manufacturers, it is not possible but that you will reduce the Value and Goodness of the Manufacture. If you expect the Poor should work cheaper, and not perform their work slighter and more overly, as we call it, and superficially you expect what is not in the Nature of the Thing¹.

“This therefore is beginning at the wrong End of Trade ; but the true Way is, keep up the Goodness of your Manufacture, so as to excell in Quality, and its exceeding in Price will be no Deficiency in Trade. Let your Manufacture gain the Credit of the best in the World of its kind, it shall accordingly bear the best Price of any in the World and yet be cheap too : that is, it shall be cheap of the Price tho’ not under Price².” As a matter of fact the “notions” which Daniel de Foe despised as ‘old’ have continued to be ‘popular’ with precisely the results he predicted. We have offered our goods cheap, but the phrase “good cheap” has dropped out of our vocabulary altogether. The decline of our iron trade with the Continent and the States, and of our exportation of cotton goods to India is not unconnected with this cause.

*injurious
to trade.*

¹ A paragraph here following, as to the ill effect on the prices of corn and rents, adds, “The Poor cannot earn little and spend much : the End of that is starving and misery.” But the argument assumes the dependence of our labourers on Home Production for the staple of their supply : it was confirmed by the miserable condition of the Agricultural Interest so long as they were thus dependent.

² D. de Foe, *Plan of the English Commerce*, p. 59.

All these pressing difficulties, in regard to the growth of our population, and the instability of our industry and trade are indirectly, but not remotely, connected as its effects, with the relative depression of the labourers. "We are verily guilty concerning our brother, therefore is this distress come upon us."

§ 87. We have spoken of the modern era as one of *Brilliant results of private enterprise* almost free competition: it might have been also described as the era when there has been a free field for private enterprise: the man with a clear head and a keen judgment has been able to distance all competitors, and it is because England has possessed so many such men, and has reached a phase of her industrial life where they have the greatest opportunities for using these talents that she has made such extraordinary advances in wealth. The accumulation of capital, and the facilities afforded by credit, have rendered it possible for men to try any new employment that appeared to offer a fair prospect of remuneration. New expedients in agriculture, valuable manu- *in opening* factures from substances that seemed to be only waste, ^{up} new lines of trading that have opened up new markets for our goods, have been introduced and established; this could not have been done to the same extent if capital had not flowed freely, and labour followed, with no legal restraint into the directions which commended themselves to sound business judgment. It was our position in this respect that made it possible for us to inaugurate a free-trade policy: the economic advantage of that policy—which would be more clearly seen the more generally it is adopted, but which is none the less real in our own case—arises from the fact that by throwing our energies into the production of those commodities which we can produce most easily, we can buy the other articles which we need to use with a less expenditure of labour and

*the most
profitable
industries,*

capital than if we made them for ourselves. If social or other circumstances prevent a country from specialising, and cultivating the industry for the development of which it is most fitted, it is not obvious that it would gain by adopting a free-trade policy unless this came to be the practice of all other nations¹. But by the beginning of this century our social life had entered on a phase where it was possible for us to cultivate our most profitable industries, and neglect others that might be as necessary for the support of life but which could be more gainfully carried on in other lands; private enterprise has been given such free play by the State as to become the guiding power in seeking out and developing the most profitable industries.

*but limita-
tion of its
scope*

There is however a considerable body of evidence to show that this power is on the wane; not because of any decline in our national energy, but because the scope for private enterprise is being limited. Whether, as is alleged, because of the increased cost of production, or as others urge through the waste caused by reckless speculation, the margin of profit in many departments of trade is exceedingly small; poor men may rush in with other people's capital where millionaires fear to use their own, but the incentive to open up new paths is not so great as it once was.

¹ With a perfectly free trade it would probably be impossible for any country to refrain from specialising, while the country that was economically strongest would certainly gain at the expense of others, as it would have an advantage in all the bargains of international trade. One land would then manufacture and another produce raw materials, so that under a continued régime of perfect free trade, no nation would be likely to consist permanently of a mingled population, of whom a large part were engaged in tillage, and another large part were in manufacturing; see above, p. 271.

Besides this, the intervention of the State to protect *and interference of the State ;* the labourers from overwork, to enforce education, and to diminish the risks of loss of life on sea and land, have imposed restrictions on the free action of capital. These restrictions have their ground in widely diffused moral sentiments, and we cannot anticipate any removal of the hindrances they impose on the free play of private enterprise.

Farther evidence that the power of private enterprise *so that it is undersold* as an effective industrial agency is on the wane, may be derived from observing the cases where it is being undersold. The struggle for existence is very keen, and there are many ways in which the Capitalist is compelled to go to great expense if he wishes to hold his own against his rivals, not to speak of increasing his trade. Such for example are the enormous expenses of advertising to which manufacturers are put, and the waste from exposing their goods, and decorating their fronts, which affects the profits of many retail dealers; owing to expenses of this kind, which their system enables them to *by trading associations,* avoid, the great Co-operative Stores undersell the ordinary London retail dealers. Private enterprise can no longer provide the best channels for the distribution of wares.

And enormous as has been its success in developing new lines of industry, it may be doubted whether it shows the same superiority in maintaining them. The scale on which business is now carried on is so great that private individuals have a difficulty in coping with work that can be best undertaken by public companies. The railway *public companies,* system of this country is not due to individual enterprise; and its management and development is guided by the skill and energy of many, who are not immediately interested in the rate of profit, but are doing their best as

diligent servants. Every one of the frequent changes which tells us of the conversion of private firms into public companies shows a disposition to trust less to the enterprise of individuals working for their own profit, and more to the good organisation and steady care of paid managers and other employées.

*and the
employ-
ment of
State
capital.*

There have been other cases where public capital—the wealth of the State—has been used to take over private or joint-stock undertakings. Such was the recent acquisition of the telegraph system with results that have so far proved eminently satisfactory. There are other great works which can only be undertaken profitably by the State. The State, as a great corporation which never dies, can afford to lie out of its money for a greater length of time than the individual can, and to look for a very distant and very indirect return for capital expended. By creating docks, it may develop a trade which will repay the original outlay from the additional customs, and so too by making roads or railways which open up a country: it is on this principle that the Government of India has proceeded in its Public Works. In such cases we may see private enterprise outstripped in the very field in which it has had its greatest success. There are times when individual enterprise cannot open up the resources of a country, even though the task may be remuneratively undertaken by Public Servants, with Capital procured by the State.

*Political
power of
moneyed
interest
declining.*

When we see that the force of free competition and individual enterprise is being beaten on its own best ground, we cannot but feel that this great industrial power is fast becoming, so far as the English people are concerned, a thing of the past: one further fact may confirm this opinion. We may recall the connexion which Harrington traced between balance of power and

the balance of wealth. In his time the landed interest was the wealthy interest and therefore the powerful interest; in the eighteenth century the moneyed interest began to overbalance the landed and contest the reins of power: but it was not till 1832 that the triumph of the middle class was secured by the first Reform Bill. Capital had now an influence in the State which was resented by the multitudes whose bread depended on the bargains they could make with their masters: the political power of Capitalists had passed its zenith when a Parliament was elected which passed the Employers' Liability Act. The landed interest had endeavoured to maintain itself by threats; and the moneyed interest has sought by bribery to retain the power which it could at first only acquire by similar corrupt means¹; but the present generation have none the less seen, not only the decline of private enterprise as an individual factor, but the decay of its political influence as well.

§ 88. When we consider the social results of the era of free competition and note the decline of the industrial force to which we owe our manufacturing and commercial pre-eminence, there seems to be some cause for grave apprehension, and we cannot but scan our present circumstances with anxiety to see if we can gather any possible indications as to what the future may have in store for us.

Only from an attentive study of the affairs of our own generation can we really hope to forecast the future: it is in our own day that tendencies may be seen in active operation which will mould the course of the future. The history of the past can but give us a clue as to the direction which coming changes may be expected to

*Forecasts
from the
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viewed in
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¹ D. de Foe. *Freeholders' Plea*, 170.

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take; for there is no mechanical uniformity like that of physical nature in the course of human history. We can never reach a general law from the general experience of the past which will help us to predict the future. We may at best, in looking at the history of our land find some sort of law of the development there, which may help us in guessing as to the next term of the series. History never repeats itself; each age has new problems to face which it must solve for itself; if we ever foresee a little, it is because in comparing the past with the present, we can trace in some part of our social system the symptoms of decay, or notice elsewhere a shoot that is healthy and may flourish. Since the story of human societies tells us of growth or of decay, and never shows a mechanical regularity, we cannot assume a uniformity, such as gives their basis to all the inductions of physical science, and which forms the fundamental assumption on which all explanations of material phenomena rest. But while we thus discard this assumption of uniformity, we may notice that we do not require it in order to explain the phenomena of History: in the physical sphere we only call one event the cause of another, because it is an invariable antecedent of some change, only because it is an invariable condition do we know it is causally connected, only by comparison with many other instances can we detect the cause of any one event. In History, where the efficient causes of each change have been the resolutions and aspirations of some man, or groups of men, or masses of men, we can detect the true cause of any particular event by studying the special motives which influenced these particular men, in their own particular time and place. The comparison of many other instances does not lead us nearer a *vera causa*; for in History that is given to us

in each case by direct evidence ; in physical science it is merely inferred, by a comparison of many instances, and an elimination of all the casual accompaniments, till at length we find the causal conditions of such events. In physical science we analyse phenomena in order to discover which of many conditions are invariable and therefore causal: but to compare many instances in History is not a necessary step in the search for causes, as in that study the causal conditions are already known. Wide generalisations as to common characteristics of many similar occurrences may only be superficial resemblances after all, or vague assertions that do not add to our knowledge. "All history teaches us," as newspaper writers are constantly saying—and no doubt they have a right to speak if they know "all history"—that, e.g. all revolutions are preceded by discontent; but such a fact of universal experience, just because it is universal, has no particular worth. Before we can admit the force of the teaching of all history on any social problem in the present, we must know how far the conditions of any one occurrence in the past, are so far identical with those of our own day as to render the experience of that age relevant to the circumstances of the present.

*uninstruc-
tive in
History.*

If however we pursue this patient method of the careful study of the actual life of bygone times the story of the past may indeed be most useful to us in many ways, even though it cannot serve as a basis from which to gather the laws of human progress or detect general rules for our guidance. There are many cases in ordinary life where we content ourselves with analogies, and argue from one particular instance to another that is somewhat similar; and it is by providing us with a number of analogies, each of which is more or

Real value

less instructive, that the experience of the past may be useful in the exigencies of the present.

*of experience of
past, which
cannot
however be
imitated*

But even so the story of the past will aid us more frequently by giving us warning of the lines of action that must end in failure, than by setting before us examples of success which we can imitate in our own day. It can show us what has given way before the institutions of the present, but not what will take their place. All that was most admirable in the past is beyond our reach; the man may regret the delights of childhood, but he cannot enjoy them again, and what has been outgrown by a developing society can never be re-introduced. For the past can never be recalled: the ages have gone by with their good and their struggles; we may admire them, but we cannot call them back. They lived the life of which we read, and just because their life is a thing we dissect and study it is a thing we cannot live¹. Nor can we, as we would so often wish to do, take any part of their life and graft it into our own; it cannot be severed from the stem where it grew, nor flourish in the atmosphere to which we are used. So certainly we have seen in tracing our commercial and industrial history. The industrial institutions of each age were necessarily connected with the circumstances and culture of that age: the local privileges, the early statutes, the craft guilds, the regulated companies, were the forms which human resources took for satisfying human wants at different times; but each of them grew in the particular time for which it was fitted, and each has passed away when its time was gone; and the new circumstances of our ages must give rise to new industrial forms.

or reproduced.

¹ So all that the old Dukes had been without knowing it,
This Duke would fain know he was without being it.

BROWNING, IV. 241.

There have been noted above some reasons which render it probable that the era of free competition and private enterprise is passing away; but attention has not yet been directed to the increasing development of combination for common ends. It can hardly be a sentimental reaction against the excesses of free competition, and the putting forth individual energy for the sake of individual gain, that shows itself in so many directions, and with such marked success. It is rather the experience that more can be accomplished by combinations of different kinds than by individual enterprise and competition, which is giving it a new footing: combination and organisation are a better way of procuring desired results than the system now in vogue. Of this a hint has already been given in noting how individual enterprise is being undersold in different directions by Co-operative Societies, by limited companies or by the State; but we may look at the matter a little more closely.

Combinations by a larger or smaller number of persons have been tried for all sorts of different economic objects, and with considerable if not unchecked success. The powers of attention to detail and organisation which are required by a really good housekeeper have not been very generally bestowed: and if the individual manager procures in many families the ideal result, there is yet room for the saving of power, and better organisation of labour which can be attained by co-operative house-keeping. So too the movement which began in Rochdale and Leeds with a few workmen combining to procure themselves some unadulterated flour, has resulted in a network of trading institutions which supply the wants of their members on better terms than can be done by the private enterprise of retailers. Some years may elapse before the tentative efforts at co-operative manufacturing

*for Trade
purposes,*

shall demonstrate their success as plainly; but the failures hitherto may be taken as lessons rather than as giving any serious ground for discouragement as to the ultimate result. But of all combinations¹, none have shown themselves so powerful, and none seem to offer greater possibilities for the future than Trades-unions: at first existing as little more than weapons for defensive warfare against the depressing influence of Capital, they now form the most valuable of Friendly Societies, they have come to aim at the positive regulation of trade, and at thus introducing that stability in which our industrial system is at present so lamentably deficient. To maintain regular and reasonable wage for the labourer would be an enormous social gain; but there is a still more difficult task which, if they have not ignored it, they have made no serious effort to accomplish. It is impossible to maintain a standard of fair pay, unless one can also maintain a standard quality of work; it is impossible to raise the rate of pay unless we can increase the skill and diligence of the artisan, and thus turn out better goods in less time. If the Unions can successfully grapple with the evil of bad work, they will do much to correct the second disease that has infected our industry under the régime of free competition. Thus too would they secure their position by demonstrating their ability to manage our industry more successfully than has been done by competing capitalists.

There is another direction in which much might be accomplished by traders who tried to make the most of the improved means of acquiring information which have been provided by the telegraph. The old system of reasonable prices could be kept up as long as the

¹ For the growth of Trades Unions, and a full account of the oppressive statutes of the last, and of the present century, see Mr George Howell's *Conflicts of Capital and Labour*, pp. 79—146.

conditions of production remained but little altered : the growth of trade came at length to open up distant markets, to introduce raw materials, or new productions, and thus to cause great difficulty in calculating the price of any commodity, and far more in fixing it for any period of time. The constant course of invention and discovery have tended in the same direction by rendering the products of distant markets more accessible ; and each such change has brought about an alteration in the rates of prices. But after all this cannot go on without limit ; the world is but a small planet after all, and as the economic possibilities of the whole world come to be better understood, these disturbances may begin to diminish. It is possible for dealers to calculate the total supply of corn or cotton in the world, and to use that knowledge for their own private gain : and there is no reason why the possibilities of world wide supply, and probabilities of world wide demand, should not be so calculated as to decrease the sudden fluctuations of prices, and irregularities in production. During any period of general peace among civilized nations, it ought to be possible for producers in any country, acting in concert, like the 'good men' of the old crafts, so to estimate these conditions as to get rid of many of the elements which cause sudden disturbances, and thus to come nearer a state of commercial life where prices should be reasonably calculated with reference to cost, not determined from moment to moment by competition. There is scarcely any sign as yet of attempts to calculate, and thus not to regulate but, to render more regular the rates of prices ; but there is most hope of its accomplishment by the action of many men who have in self-defence combined to put down the vagaries of speculators.

*State
capital*

*may be re-
munera-
tively em-
ployed
where
private
capital
would not
earn a
profit,*

So far of combinations voluntarily formed for some definite industrial purpose: but the most striking progress in this direction may be made if the State shall continue to undertake new industrial and commercial functions, and thus to supplant private enterprise. In regard to this matter, a good deal of jealousy is felt: centralisation is alien to English ideas, and neither the Privy Council of James I. and his son, nor the Parliaments of following reigns showed themselves very successful in regulating trade. But to undertake the control of everybody else's business is one thing; and to start and carry on a business of one's own is another: it is only proposed that the State should use National Capital for carrying out undertakings which offer a prospect of being fairly remunerative, and which can be better carried out by the State than by private enterprise. That there are such undertakings has been already shown, where public works form an investment from which the State gains an increased revenue eventually, and perhaps after lying out of the capital for a considerable time: but still the undertaking pays. The real danger is that some government might allow themselves to undertake works which may be ornamental or beneficial, but which can never be remunerative to any appreciable extent. A simple canon may be suggested—which is much more easy to express than it can ever be to apply. When the State is petitioned to carry out an undertaking which will not pay in private hands, it may fairly proceed with one that offers a real prospect of remuneration but in a form which would not accrue to, or at a distance which would not suit the private individual: but it has no right to enter on schemes which may prove beneficent, because it can afford to bear the loss. We have lost much of the scrupulousness of the men of the eighteenth century who were shocked at

the burden of debt they were handing down to future generations. It is not honest to be charitable with other people's money, and it can never be just to gratify our beneficent instincts at the risk of entailing a heavy burden on our successors—not impossibly, on less prosperous successors. Perhaps the warning is more strongly needed at present by municipalities than by the State: ornamental drives and promenades, art galleries and libraries may be most beneficial, and are splendid objects for a philanthropist to bestow: but except in so far as it can be shown that they are remunerative¹, their maintenance can hardly be fairly charged to the rates.

but is sometimes unwarrantably used for benevolent or pleasurable purposes.

There are thus many directions in which combinations of one type or another can accomplish more at less cost than can be now done by private enterprise. There are doubtless many employments where this is not the case and where private enterprise may continue in possession of the field; but combination and co-operation are getting possession of many points, and can maintain themselves in the positions they have won: for our day they are the fittest and they will survive. Free competition was a better method than State direction for supplying the wants of the nation, and slowly but surely took its place; but it too is passing away in its turn as men are finding better means for accomplishing similar ends.

Gradual elimination of private enterprise

For the gradual establishment of a better industrial system we may look hopefully; it may be forming itself slowly but it is building itself firmly on an unassailable basis as the best industrial system for the time, and it is being adopted just because it is economically better than the one that is on the wane: herein lies its strength and

by combination as a better industrial system for the present day.

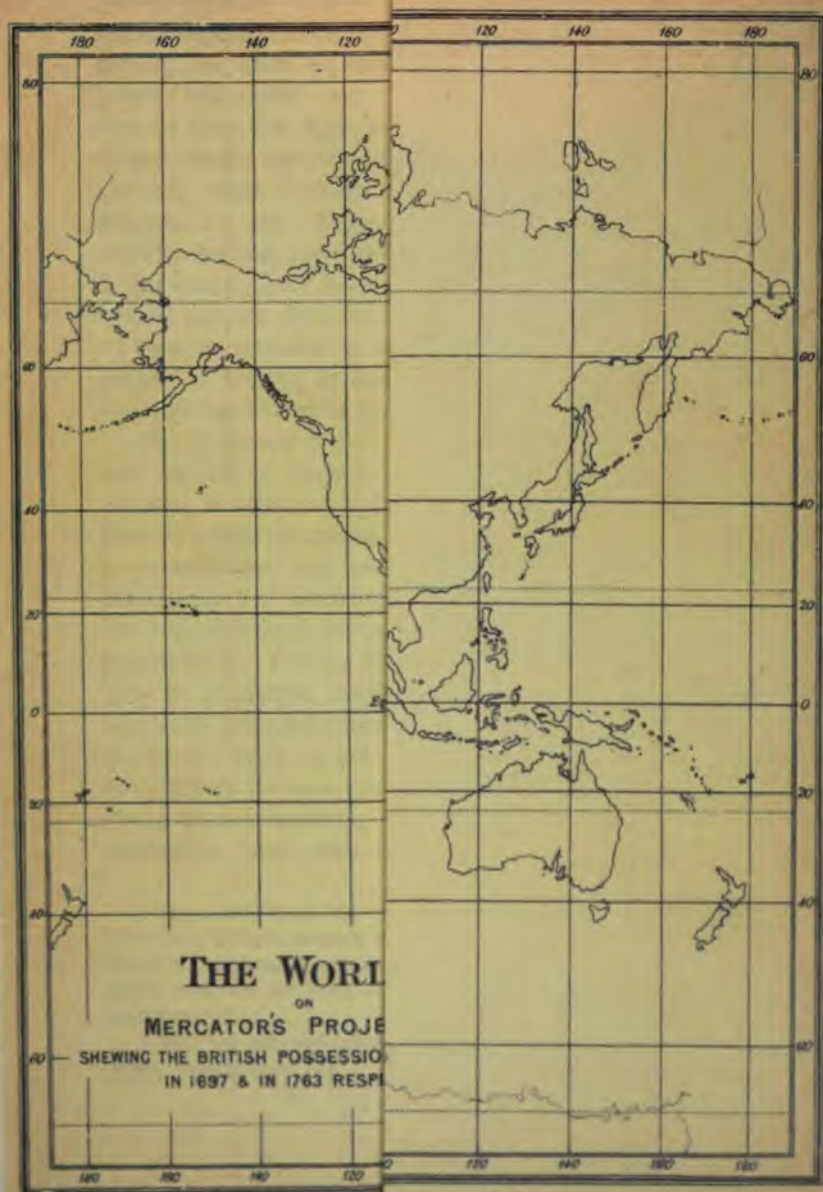
¹ As a pier may be at a watering-place by attracting visitors, or an art-gallery in a manufacturing town as improving the tastefulness of the productions.

*Error of
retrogression to a
system of
protection,*

*or to
peasant
proprietor-
ship*

*on small
holdings.*

stability. And if we despair over the slow growth of the new industrial life that is natural to our generation, at least let us abstain from trying to introduce fragments of a system which proved itself a failure by passing away, and received a crushing refutation at the hands of Time. We cannot after the experience of last century revert to protection as a means of giving even a healthy stimulus, not to speak of a permanent footing, to any weakly trade. Nor does it seem desirable to take measures for the perpetuation of any particular class in the community which cannot maintain itself as a class, but is melting away towards other employments or distant lands: peasant proprietors and farmers who shall owe their existence, as a class, not to their ability to outbid larger capitalists, and to work the land better, but to the policy of the House of Commons, will hardly be well prepared to fight their way through the great struggle with which our agriculture is threatened. It is Capital that is really fluid and able to adapt itself to new conditions; it is the large capitalist—the successor of those in whose favour the yeomen of the sixteenth century were evicted—who will be best able to change the methods of his culture and the kind of produce he raises. A great agricultural revolution must always cause misery, and it causes least when it is so gradual that it is hardly marked. The sudden introduction of capitalist farming undoubtedly caused great misery in England: but it was better to be induced to give up the three-field system and the tiny holdings by the incentive of rapid gain from sheep-farming, than to have maintained the wasteful open fields as a matter of policy, and been forced to revolutionise our agricultural system by the strain of ruinous competition. Small holdings passed away because tenants who could cultivate larger farms could produce more wealth at less cost. The one



— British Possessions & Treaties in 1763 are marked blue.

system depends for success on diligent labour with small capital, the other on large capital with superintended labour, and capital won the day in an open struggle. Nor are there any signs that under changed conditions diligent labour can succeed where large capital is sorely pressed: small holdings exist, but cannot be said to flourish, in such different counties as Cumberland, Northumberland, and Cambridgeshire¹. Small holdings in this country have been condemned by the course of events, and we dare not revert to them here, though we have not scrupled to inflict a real grievance on the people² of Ireland by treating her as a *corpus vile* on which to experiment in the management of land.

The enterprise of private capitalists long since overtook the skill of diligent labour in the race for wealth, and now it seems as if private capital were being outdone by public companies, and State capital: but there is no indication that under changed circumstances the effective force of labour applying small portions of stock can maintain itself in competition with these gigantic undertakings. For the State to encourage any class to cling to antiquated methods of industry may be a benevolently intended attempt, but it has little promise for the future: while on the other hand the new forms of combination for common objects can claim, as an evidence of their stability, that they have won their way themselves. And after all they are not wholly new;

¹ The condition of the small holdings in Cardiganshire and other parts of Wales is much more flourishing; but it is well worth attention that domestic spinning, and blanket weaving in the Principality, have not yet been destroyed by the competition of large manufacturers.

² Who are not well prepared for such experiments. Bp. Berkeley, *Querist*, query 357.

only new ways in which Society tries to preserve itself against the self-seeking of individuals.

*The Old
Social or-
ganisation*

There was a time when each of the traders who first conducted the bartering throughout the country, could use his advantage to obtain enormous gains on each transaction. It was no slight benefit to Englishmen when under the influence of royal power, and by means of voluntary association for a common good, there came to be bodies of traders, who had to deal at reasonable rates. Since that old system decayed, the capitalists whose enterprise has given us connexions with all the known world, and enabled us to adapt new natural powers and products to our use, have gained enormously: but as we look round on our present condition, we may well hope that a new social organisation will grow—not now instituted by royal authority, but winning its way and maintaining itself by its own fitness—which by the completeness of its organisation of skill, and the forethought of its calculations, will once more give us a régime of reasonable prices and a reasonable wage.

*and the
New.*

APPENDIX I.

I. FLETA, SEU COMMENTARIUS JURIS ANGLICANI SIC NUNCUPATUS SUB EDUARDO PRIMO. II.¹

De officio Ballivi. CAP. 73.

BALLIVUS autem cujuscunque manerii esse debet in verbo verax, & in opere diligens ac fidelis, ac pro discreto approvatore cognitus, plegiatus, & electus, qui de communioribus legibus pro tanto officio sufficienter se cognoscat, & quod sit ita justus, quod ob vindictam vel cupiditatem non quærat versus tenentes domini, vel aliquos sibi subditos, occasiones injustas, per quas destrui debeant, seu graviter ameriari. Caveat autem sibi à vitio pigritiæ redargui; surgat ergo mane, nè tepidus videatur, vel remissus, & carucas inprimis jungi faciat, deinde campos, boscos, prata, pasturasque ambiat & aspiciat, nè inde dampna fiant in auroris. § 2. Facio siquidem suo circuitu carucas dominicas adeat, customarias, & adjutrices, prospiciens quod antequam dietam suam plenè paraverint, minimè dis-jungentur, alioquin cadit in compoto. In initio igitur temporis seminandi, & rebinandandi, conjunctim sint cum carucis ballivus, præpositus, & messor per totam dietam, donec aruras suas legitime compleverint, quantum videl' ad unum diem pertinebit, & quod omnes se intromittant, quod carucarii diligenter & bene suas faciant operationes, & qualiter eo die expediverint, statim dis-junctis carucis videant per mensuram: & nisi ipsi carucarii rationabiles prætenderint excusationes de aruris suis,

¹ Printed from Selden's Edition, 1647.

secundùm aruram illius dietæ, tenentur reddere rationem. Et nihilominus facta eorum & defectus sæpe ac sæpius expedit supervidere, & videre per messorum, nè hujusmodi defectus remaneant non correcti & impuniti. Et notandum, quod caruca boum, cum duobus equis tantum expedit, quantum tota cum equis, præterquam in terra litorea & petrosa, quæ pedibus boum gravis est & impediola, tum quia equus plus sumit & expendit, tum quia carucarii & fugatores extra passum ire consuetum secundùm usum boum grave videtur, tum quia caruca boum in terra gravi præcedet, ubi equina remanebit. § 3. Qualiter verò equus magis quàm bos est sumptuosus, videndum est & sciendum, quòd omnis bos vel vacca ad laborem carucæ deputata, à festo sancti Lucæ, usque ad festum Inventionis sanctæ Crucis per xxviii. septimanas, ex communi consuetudine ad præsepe custoditur. Equus autem si in statu laborandi debeat observari, de sexta parte busselli avenæ de pretio ob' singulis noctibus oportebit ipsum præbendari, & ex xii. denar' herbagii ad minus æstivali tempore refocillari, & quolibet mense denariatus sibi competet ferramenti, quorum summa est xi. sol'. vi. den'. præter estoveria foragii, & eschaetarum bladi. Bos verò de tribus & dimid' mensur' avenæ, de quibus x. faciunt bussel', sufficienter poterit quolibet septimanâ sustentari, unde summa ii. sol'. vi. den' in toto. Equus etiam cum senectute vel labore convincatur, de pelle tantum correspondet, sed de bove secus erit; nam cum decem denariatis herbagii salvari poterit dominus indemnis, vel ferè, ut, si pro labore non sufficiat, interfici poterit, & per venditionem carnis carnificibus, & pellis, & hujusmodi, per particulas poterunt primi custus, vel ferè, domino restitui, & sic poterit dominus indemnis vel quasi observari. § 4. Item super-videre debet ballivus falcatores, messorum, carriatores, operarios, & ministros manerii universos, quod quilibet quod suum fuerit justè debitèque prosequatur; nec legalius, subtiliusve ad commodum domini, quàm per competentes mias, quotiescunque transgressi fuerint, poterunt castigari, monitionibus tractabilibus intervenientibus. § 5. Faciant igitur circumspectè terras dominicas, marlari, compastari, de

ovili faldari, appruari, & emendari, ut sensuum suorum abundantia per effectum operis liquere valeat universis.

§ 6. Nec permittat equos, vel affros carucarum, vel carectarum, ab aliquo majore vel minore, per crebras & indebitas equitaturas impunè vexari, sed quòd ipsi simul cum aliis pecoribus bene custodiantur, nè per negligentiam vel pigritiem de debitis puturis & præbendis suis quicquam amittant, vel subcontrahatur ab eisdem.

§ 7. Nec liceat ballivo pro villenagiis proximis hæred', aut aliis liberand', vel pro releviis, seu maritagiis fines capere, vel placitum tenere de aliquo, quod tangat liberum tenementum, feodum, vel libertatem, nec etiam furniandi sibi liceat, vel braciandi in manerio, nisi dominum præsens extiterit.

§ 8. Item, nec sit ballivus ad mensam domini, sed sub certis vadiis quotidianis victus sibi constituatur.

§ 9. Sæpe videat ballivus trituratores in grangiis, qui si purè granum à palea non separaverint, illum iterum purius faciat triturari, nè grana in palea remanentia, in fimo agris disperso germinent, in tegminè domorum: Foragium autem tassari faciat & co-operiri, cujus eschaetæ, prout collectæ fuerint, in luto plateis, & itineribus projiciantur ad finum nutriend', quod multò magis ad commodum domini sic deveniet, quàm si ad venditionem devolveretur: Stubula verò in terra requiescat, nec plus inde tollatur, nisi quod pro reparatione domorum Cur' fuerit necessarium, & residuum per carucam subvertatur.

§ 10. Mense autem April', tempore videl' quo omnia aperiuntur, warectandi erit tempus idoneum & amœnum, cum terra fregerit post carucam; rebinnandi verò post festum Nativitatis sancti Johannis Baptistæ, cum terra pullulaverit post carucam.

§ 11. Ad seminand' autem cum terra fuerit assessa, & non concava: sed omnis colonus temporis congruitatem singulis minimè poterit vicibus expectare.

§ 12. Videat etiam ballivus, nè ad expeditionem carucariorum per minus amplos radios depereat cultura, vel alio quovis modo durante exarando. Et cum bona terra arari debeat pro warecto caveant sibi carucarii, ne malam terram perversè arando attingant; sed per radium quadratum terram bonam advertant, dum tamen profundam, ita quòd terra recens co-operta

vel disco-operta non remaneat. Et cum tempus affuerit rebinandi, nè profundo arent, carucariis inhibeat; sed levis sit carucæ cursus, saltem ad herbarum & radicum destructionem: nam si tempus pluviosum supervenerit, & per profundam aruram fiat terra mollis & aquatica, & tempus venerit seminandi, caruca tunc ad aliquam terram certam attingere non valebit; sed erit caruca tanquam lutosa: faciant ergo radios suos leves in rebinando, ut profundius per duorum digitorum largitatem attingere valeant in seminando, per quod caruca à luto deliberari valeat, & mundari, & pulchram bonamque faciat aruram. § 13. Cum autem tempus advenerit seminandi, non permittat ballivus largos, sed spissos minutos, beneque conjunctos radios arari, per quod semen æquiùs cadere valeat in eisdem: nam radii largè aratis, & semine projecto, herciaque superveniente, statim sit discensus seminis inter duos radios per herciæ tractum, & summitas terræ inter ipsos radios habita, detecta, & tanquam sterilis remanebit, quod tempore segetum ab uno capite in aliud respiciendo ad oculum manifestius apparebit. § 14. Si quid autem bladi remanserit post seminationem agrorum, id prudenter granario retornetur, vel granatarius in compoto de facili poterit titubare. § 15. Si autem terra deorsum seminari debeat, terram exaltari & minimè arari oportebit, & terra per carucam aliquantulum elevata, sub pede carucarii sinistro ultimum radium arando subvertatur & prosternatur, ut ultimus radius perinde districtior habeatur. § 16. Item videat ballivus, quòd maturè incipiat seminare, ut ante adventum magni aloris, magnique gelu, & yemis gramina suas expanderint radices. § 17. Nam si tardè secare fecerit, & effusio pluvizæ infra octo dies sequentes discenderit, & illico supervenerit gelu durabile, quantumcunque aqua terræ concavitatem fuerit ingressa, gelu penetrabit, per cujus si perseveraverit per triduum vel ampliùs, possibile est hujusmodi grana tenera & aquosa germinata & pullulata omnino deperire. § 18. Et sciend', quòd duæ sunt terræ, quæ maturè debent seminari ad semen præcipuè quadragesimale, terra, viz. marlosa, & terra lapidea, nè fortè per servidum marcium dampnum contingat, & impedimentum per minimam duri-

tiam vel nimiam concavitatem; & ideo tempestivè debent hujusmodi terræ seminari, ut per sappum & virtutem yemis naturale recipiant nutrimentum: Terras autem molles & sabulonas non est necesse maturè seminare, eo quod hujusmodi terræ temporibus pluviosis ex consuetudine subvertuntur per aruras; sed terras aquosas, & de marisco necessarium est optimè fodere & radiare, & radios aptè purgare, nè semen humi projectum, per impetum aquæ submergatur. Terras verò steriles, & quasi derelictas semine geneſti vehementer expedit seminare. § 19. Et notandum, quòd semen hyemale in eadem terra aqua venit projectum, sicuti aliud faceret de partibus remotis quæsitum nullatenus abundabit: faciat igitur quivis discretus semen sibi emi hyemale, ut copiosior eveniet usus fructus. De semine verò proprio quadragesimali seminentur terræ domini, nisi propter fori facilitatem hoc fuerit omissum. Nulli ballivo sit vile, si de rebus domini dominum possit approare, ut de suis ordeis braseum, de lanis pannum, de linis telas, & hujusmodi fieri; vel si equum, pullum, vel palefretum de surfure, fabisque educi, faciatque nutrir, vel alia quæ commoditatis domini respiciant incrementum. § 20. Item vivaria, stagna, lacus, servoria, & hujusmodi, piscarias suas quisque discretus bresmys & perchiis faciat instaurari; sed non de lupis aquaticis, tenchiis, vel anguillis, qui effusionem piscium nituntur devorare. § 21. Item potestas habere posternas in omni Cur' totaliter inhibeat, sed unicus sit ingressus. Et in omnibus instauro equarum, emissariorum, cignorum, & apium, quisque studeat instaurare. § 22. Et in fine de omnibus officiis sibi subditis intromittere se debet diligenter, nè per dissimulationem, & negligentiam suam, & impudentiam ministrorum in pœnam compoti merito debeat condemnari.

De Præposito. CAP. 76.

PRÆPOSITUS autem tanquam approator & cultor optimus per villatam electus ad præposituram domino, vel ejus Sen' palam debet præsentari, cui injungatur officium illud indilatè. Non ergo sit piger vel somnolentus, sed efficaciter &

continuè commodum domini adipisci nitatur, & exarare, carucasque intrinsecas & extrinsecas mane conjungi, terrasque conjunctim & purè arari, puroque semine, nec minus sparsè dispergi faciat & seminari, fimum etiam nutriri & co-adunari, ad sterculinium cum terra fimumque mixtum faciat exaltari.

§ 2. Aream etiam b'cariæ cum marla, seu fossatorum inundatione, vel saltem terra bona quâlibet faciat quindenâ marlari, desuperque straminari. Et cum de residuo straminis bestiis non necessariis, & plateis lut' project' fimus superfuerit, illum ante Martii siccitatem colligi faciat, & nutriri, qui cum cariari debeat ad rura, cum cariatoribus præsens existat Præpositus totâ die, ut sine fictitia dietam finiant & laborent, & secundùm laborem illius dietæ debet futurus labor expediri, allocari, alioquin etiam in compoto cadent; & quod de istis dicitur, dici poterit de cariatoribus universis.

§ 3. Terra autem sabulosa fimo puro non fimoretur, sed cum terra optimè permisceantur; hujusmodi enim terra respectivè quodammodo calida est, fimusque purus calidus, & tempus æstivale fervidum: mixtis ergo caliditatibus, ordea per consequens possibile est marci sci: expedit igitur fimum hujusmodi terra misceri.

§ 4. Ex rore namque ex naturali frigiditate hujusmodi terræ mixtæ horis vespertinis generata procreatur segetibus nutrimentum; fimus verò purus in rure dispersus, ultra duos vel tres annos, secundùm quod terra fuerit frigida vel calida, minimè durabit. Mixtus autem in duplo licet tantam non habeat substantiam, vel virtutem; marla autem durabilior est, eo quod fimi descendendo, & marla ascendendo consumitur. Et hæc est causa quare terras fimo dispersas profundè non expedit exarare, adjecta itaque terra fimo rariùs descendet, & per consequens tardiùs consumetur; qui cum superorentur, immissâ carucâ subvertantur, quia roris stillicidia multum juvant ad mixturam. Nec in warectum debent mitti fimi, quia per rebinuram ferè subverterentur; & sic ante tempus seminis multum consumerentur: Sed ante tempus seminandi immediatè distribuantur, & maximè, si fuerint de ovili; quanto enim fimus ovilis semini sit propinquior, tanto commodior & utilior: tempore autem Augusti bidentes alienos admittere expedit ad ovile, eo quod tunc temporis

finum abundantius emittunt. § 5. Item, Præpositus per consensum & visum ballivi & senesc', inter festa Pentecostes & Paschæ instaur' pecorum, videl' à debilibus fortia, & ægrotis sana eligi faciat, & separari; debilia namque magis consumunt, eo quod sæpius & melius oportebit hujusmodi dn' tamen ad operationes, & laborem constituta præbendare, & eisdem debilioribus frequentiùs parcere & deportare, & quanto in laborando parcatum fuerit eisdem, tanto erit onus graviùs, pejorque conditio robustis. § 6. Si autem priusquam senectutem nimiam attigerint, vel per decrepitem, mahemiam, vel laborem nimium declinaverint, sic fuerint electa, ex mediocribus custubus poterint emendari, & per venditionem, vel alio quovis modo poterunt per substituta de levi, quasi revivisci; dum tamen prudenter vendantur, & de eis emantur fortiora: necessarium est igitur hujusmodi pecora sapienter abolire: Et post festum sancti Johannis Baptistæ expedit, quod boves debiles, & malè intentati, veteresque vaccæ, ac steriles juveniliaque averia parum emendantia, singulis annis in bonam mittantur pasturam, in quam pingues valeant devenire, ut tunc quod domino fuerit utilius, sagaciter inde disponatur. § 7. Sufficiensque pastura tribuatur pecoribus laborantibus, nè per defectum declinent ad miseriam, per quod dampnum consequatur duplicatum, eo quod sumptus erant graviores, rarioresque labores. § 8. De die claro faciat Præpositus in præsentia sui vel messoris affros & equos quotidie præbendari: Ita quod præbenda coram bobus conferenda stramine avenæ misceatur, vel frumenti; arestæ enim straminis ordeacei rugitus eorum impediret. De die dico, nè præbenda noctant' per custodes furetur eisdem; cum stramine dico, eo quod occasione præbendæ magis comedant foragium, & per consequens magis bibent, & pinguescent, tum tamen hujusmodi forag' per modicas paululum quantitates eis liberentur; quod si per magnam, minus comedent, magisque devastabunt. Præterea, si per magnam quantitatem eis fuerit liberat', ac ipsis postmodum rugientibus cum fuerint satiati, residuum straminis conculcabunt, naribusque inflabunt, & per consequens odio habebunt, & sic sordescunt. § 9. Affros autem quan-

doque lavare, desiccatos striliare non est inutile; prodest etiam boves de die bis stergere cum vispilione, eò quod affectiùs se lambebunt. § 10. Item vaccis matricibus competens provideatur pastura, nè lactis patiantur detrimentum, & cum vitulus taurinus vituletur, primo mense non ablectetur; à quo deinceps de septimana in septimanam unicus lactis tractus debeatur, qui ultra duos menses minimè lactari permittatur; vitulus autem semellus integrè suum lac obtineat per tres septimanas, à qua postea veluti de masculo tractus uberum vicissim tollantur: Et tempore separationis aquam habeant abundanter, infra domum videl' & extra, nè per defectum aquæ, sicut frequenter contingit, ex ægritudine pulmonis moriantur. § 11. Cum autem calidum tempus accesserit & serenum, multum expedit juvenculas & vaccas, instaurumque bestiarum in salda bene straminata noctanter custodiri, ut perinde meliorentur dominicæ culturæ. § 12. Cum autem tempore pasturæ bonas vaccas lactrices ab aliis separaverit, bonaque de marisco salsa pasci fecerit, extunc debet lac duarum hujusmodi vaccarum de una waga casei in xxiiii. septimanis ex communi consuetudine respondere, necnon & qualibet hebdomada de dimid' lagena butiri. Si autem de pastura bosci, vel prati post falcationem, seu stubulæ post tempus messium, sic erit tanta proficui responsio de tribus vaccis, quemadmodum prædictum est de duabus. Et nisi de tanto responderit, cujus intererit, ipsum tenebit compoti catena; eo quod miserrima trium de uno caseo de pretio unius oboli in duobus diebus respondebit, & de denariato butyri per septimanam. Et quod dicitur de trium vaccarum responsione, dici poterit de viginti bidentibus matricibus sanè custoditis, § 13. Nec sustineatur, quod aliqua vacca ultra festum sancti Michaelis lactetur, eò quod hujusmodi lactare eas debilitat vehementer & enervat, ac tardiùs minusque lactis præbebunt in anno futuro, vitulusque exilior erit atque minor,

II. FITZHERBERT ON SURVEYING.

CHAP. XIII.

How many customary Tenauntes there be, and howe moche Landes, every of them holdeth, and what Workes, and Customes they do, and what the Workes, and the Customes of every Tenant is worthe by the Yere, and how moche every of them payeth, over the Customes and Workes, &c.

ITEM inquirend. est de customariis videlicet quot sunt customarii et quant. terre quilibet customarius teneat, quas operationes, et quas consuetudines facit, et quantum valent opera et consuetudines cuiuslibet customarii per se per annum, et quantum redditum de redditu. assise per annum preter opera et consuetudines, et qui possunt talliari ad voluntatem domini et qui non.

It is to be inquired of customary tenantes, that is to wytte, howe many there be, and how moch land every tenaunt holdeth, and what werkes and customs he doth, and what the werkes and customs be worth of every tenaunt by itself, and howe moche rent by the yere, above his werkes and customes he doth pay, and which of them may taxe their landes at the wyll of the lorde and whiche nat. Customarye tenauntes are those that hold theyr landes of their lord by cople of courte role, after the custome of the manour. And there be many tenauntes within the same manor, that have no copies, and yet holde by lyke custome and seruyce at the wyll of the lorde. And in myne opinion it began soone after the conquest, when William conquerour had conquered the realme, he rewarded all those that came with hym, in his viage royall, according to their degree. And to honourable men he gave lordshyppes, maners, landes, and tenementes, with all the inhabytantes, men and women dwellyng in the same, to do with them at their pleasure.

, And those honourable men thought, that they must

needes have servantes and tenantes, and theyr landes occupied with tyllage. Wherefore they pardoned the inhabytantes of their lyues, and caused them to do al maner of servyce, that was to be done, were it never so wyle, and caused them to occupie their landes and tenementes in tyllage, and toke of them suche rentes customes and services, as it pleased them to have. And also took all their goodes and cattell at all tymis at their plesure, and called them their bondmen, and sythe that tyme many noblemen both spirituall and temporall, of their godly disposition have made to divers of the said bondmen manumissions, and granted them freedom and libertie, and set to them their landes and tenementes to occupy after dyvers maner of rentes, customes and servyces, the whiche is used in dyuers places unto this day. Howe be it in some places, the boundmen contynue as yet, the which me semeth is the greatest inconuenience that now is suffered by the lawe, that is to haue any christen man bounden to an other, and to haue the rule of his body, landes and goodes that his wife, chyl dren, and seruantes haue laboured for all theyr lyfe tyme to be so taken, like as and it were extortion or bribery. And many tymes by coulour thereof, there be many freemen taken as bondmen, and their landes, and goodes taken from them, so that they shall not be able to sue for remedy, to proue themselfe fre of blode. And that is moste commonly where the freemen have the same name as the bondemen, or that his auncesters, of whome he is comen, was manumysed before his byrthe. In such case there can nat be to great a punyshment. For as me semeth, there shulde be no man bounde, but to God, and to his kyng, and prince ouer hym: Quia deus non facit exceptionem personarum, for God maketh no exception of any person. Wherefore it were a charitable dede to euery nobleman both spirituall, and temporall, to do as they wolde be done by, and that is to manumyse them that be bond, and to make them fre of body and blode, reseruing to them theyr rentes, customes, and seruices of olde tyme due and accustomed, wherein they may get the prayers of the partie, and remyssion of theyr offences, as in the gospell. Eadem

mesura, qua metiti, fueritis, metietur vobis. The same measure that ye do mete to other men, shall be metten to you. In mayny lordshippes there is a customary roole bytwene the lorde and his tenautes, and it ought to be indented, one parte to remayne in the lordes kepyng, the other parte with the tenantes, and dyvers trewe cotypes to be made of the same, that the rentes and customes ronne nat out of remembraunce. And also a suyte rolle, to call all those by name, that oweth any suyte to the lordes court, and than shall there be no concelemente of the sutours, but that the stewarde may knowe, who is nat there, and if any sutoure decesse, the name of his next heire wold be entered into the same rolle, and an enquiry made and presented what he helde of the lorde, and by what rentes, customes, and seruyce of every parcell by itself, and who is his next heyre, and of what age he is of, and this truely done and entered into the rolle, it would be a conveyance of descent in maner of a petie degre, and profytable to the lordes, and also to the tenautes, *causa patet*. The name of every tenaunte must be put in the rolle, and his mese place to be butted and bounded, as it lyeth in length and brede, and bytwene whome. And also his landes, medowes, lays, and pastures, likewise butted, and bounded, that it may be known many yeres after, who dwelled there: and what landes medowes, and pastures lay to the same at that tyme. And what warkes and customes the tenaunt dothe for every parcell, and what the warkes and customes be worthe in a yere, and howe moche rente, the tenaunte, dothe paye for every parcell, beside the customes, and warkes, to the entent, that if any parcell of lande, medowe, or pasture be alyened, solde, or changed, or put from one tenaunt to another, the lorde and his bayley may knowe what rentes, customes and werkes, he shall aske and haue of the occupier, for every parcell. And it is the most speciall poynt that belongeth to a surueyor, to butte, and bounde truly every parcell by itselfe, and to knowe what rentes, werkes, customes, and seruices, goth out of the same, for than may he make a true rentall or customary rolle, and put all thynges in a certentie.

CHAP. XIV.

Of Cotiers what Cotages and Curtylages they holde, and by what Seruyce, and howe moche Rente they pay by the Yere, &c.

ITEM inquirendum est; de cotagellis, que cotagia et curtilagia teneant, et per quod seruic' et quantum reddant per annum, pro predict. cotagiis et curtilagiis.

Also it is to be inquired of cotagers, what cotages and curtilages they holde, and by what seruice, and what they yeld by the yere, for the forsaid cotages and curtilages, This Chap. and the next president, be both of one effect, but that it is to presume, that there is nat so moch rentes, heriottes, customes, and seruices, to be payde, and doone for a cotage, as there is for a mese place or a better tenement but it maye be lyke custome and seruyce.

CHAP. XL.

Howe to make a Township that is worthe, xx. Marke a Yere, worth xx. li. a Yere.

IT is undoubted, that to euery townshyppe that standeth in tyllage in the playne countrey, there be errable landes to plowe, and sowe, and layse to tye or tedder theyr horses and mares upon, and common pasture to kepe, and pasture theyr catell, beestes, and shepe upon. And also they have medowe groundes to get theyr hey upon. Than to let it be knownen how many acres of errable lande euery man hath in tyllage, and of the same acres in euery felde to chaunge with his neyghbours, and to leye them toguyther, and to make hym one seueral close in euery felde, for his errable landes and his leyse in every felde, to leye them toguyther in one felde, and to make one seueral close for them all. And also another seuerall close for his portion of his common pasture, and also his porcion of his medowe in a seuerall close by itselfe, and al kept in seueral both in wynter and somer, and euery cotage

shall have his portion assigned hym accordynge to his rent, and than shall nat the ryche man ouerpresse the poore man with his catell, and every man may eate his owne close at his pleasure. And vndoubted, that hay and strawe that wil finde one beest in the house wyll finde two beestes in the close, and better they shall lyke. For those beastis in the house have short heer and thynne, and towarde Marche they wyll pylle and be bare. And therefore they may nat abyde in the felde byfore the heerdmen in winter tyme for colde. And those that lie in a close under a hedge have longe heare and thyck, and they wyll neuer pylle nor be bare, and by this reason the husbände maye kepe twyse so many catell as he did before.

This is the cause of this approwment. Nowe euery husbände hath sixe seuerall closes, whereof iii. be for corne, the forthe for his leyse, the fyfte for his commen pastures, and the sixte for his haye, and in wynter tyme there is but one occupied with corne, and than hath the husbände other fyue, to occupy tylle lente come, and that he hath his falowe felde, his ley felde, and his pasture felde al sommer. And whan he hath mowen his medowe, than he hath his medowe grounde, soo that if he have any weyke catell that wold be amended, or dyvers maner of catell, he may put them in any close he wyll, the which is a great aduantage; and if all shulde lye commen, than wolde the edyche of the corne feldes and the aftermath of all the medowes be eaten in x. or xii. dayes. And the ryche men that hath moche catell, wolde have the advantage, and the poore man can have no helpe nor relefe in wynter, whan he hath moste nede, and if an acre of lande be worthe sixe pens, or it be enclosed, it will be worth viii. pens, whan it is enclosed, by reason of the compostyng and dongyng of the catell, that shall go and lye upon it both day and night; and if any of his thre closes that he hath for his corne be worne or ware bare, than he may breke and plowe up his close that he hade for his layse, or the close that he hadde for his commen pasture, or bothe, and sowe them with corne, and let the other lye for a tyme, and so shall he have alway reist grounde, the which wil beare

moche corne with lytel donge; and also he shall have a great profyt of the wod in the hedges whan it is growen, and not only these profytes and advantages beforesaid, but he shall saue moche more than al these, for by reason of these closes, he shall save meate, drinke, and wages of a shepeherde, the wages of the heerdman, and the wages of the swine heerde, the whiche may fortune to be as chargeable as all his holle rent, and also his corne shall be better saued from eatinge or distroyeng with catel. For dout ye nat but heerdenmen with their catell, shepeherdes with their shepe and tieng of horses and mares, distroyeth moch corne the which the hedges wold saue. Paraduenture some men would say, that this shuld be against the common weale, bicause the shepe herdes, heerdmen, and swyneherdes, shulde than be put out of wages. To that it may be answered, though those occupations be not used, there be as many newe occupations that were not used before. As gettyng of quicke settes, dicheing, hedging, and plashing, the which the same men may use and occupye. Also it may fortune men wyl say, that if all shuld be enclosed, that there wold be many foule lones, as there be in Essex: but for that there may be a prouision and that is thus, where the kinges hieway is, if it be dry grounde, stony ground, or sandy ground, in al such places, may be lanes made of a convenient breade, for the kynges people to passe through with al maner of cariage. And where it is softe ground lyeng leuel, that the waters may not wel passe by the dychesse, at euery hedge that goeth over whart the hyeway there to make a gate, and stone it or grauel it in that place. And then hath euery man the hole close to ride cary or go in, as they had before, likewise as they do at the wynd gates at this syde Chorley in Lanchashire, and likewise betweene towne and town; and as to their owne drift lanes to their closes, let them make them for their owne ease as they wil have them, &c.

The moste indifferentest meane to make these approwments, as me semeth is this. Al the lordes of one towne, be there never so many, shulde be all of one assente, that theyr tenauntes shulde exchange their landes one with an other,

and the sayd exchange to stande, and endure for ever, for dout theym nat, but they knowe it best, and every tenaunt for his owne advantage wyl do it indifferently, and the curate of the same parisshe for his parte, and every lordes bayly to be indifferent, to se these closes lotted and assigned to everye man's ease, so that cuery man maye have one lyttell croft or close next to his own house, if it may be, thoughe he may have no lande of his owne. This done, lette every lorde by his coppe of court role, or by indenture, to make a sufficient lease to every of their tenauntes, to have to hym and to his wyfe, and to his children, so that it passe not thre lyues, than beinge alyue and named, yielding and paying to their lordes, and to their heires, the old rentes and seruyces, before due and accustomed, during these thre lyues, upon this condition, that they shall do or cause to be done, duryng their lyues, sufficiently to quycke, set, dicke, hedge, and plashe, whan nede is, al the sayde closes, and soo kepe theym duryng their lyues, the whiche wyl be a great charge to the tenantes. But yet me semeth they may wel do it if they entende to thriue, and specially do remember the profits that may come to them afterward. There is an old saying. *Quod leuis est labor cum lucro*, that is to say, that labor is light where winning followeth, and moche of this labor may be done by himselfe, and his seruantes, at a convenient tyme, soo that he let nat his husbandry. It is moche to be done in one yere, two or thre, but and they may do it in syx or nyne yerres as the felde go aboute, they hye them well, for it is too costly for husbandes to hyre it to be doone. And the lordes me semeth, canne do no lesse, than to graunte them these thre lyues of the olde rent, remembryng what profytes they may have at the ende of the termes, they knowe not howe soone. For undouted one sette day cometh at laste, and though the aduantage of the lordes come not anone, it wyll come at length. And therefore sayth the philosopher. *Quod difertur, non aufertur*, that thyng that is deferred is nat taken away, and in the meane time the lordes have no maner of loss, nor yet make no costes, but at their pleasure.

APPENDIX II.

I. THE ASSISE OF BREAD AND ALE¹.

When a Quarter of Wheat is sold for xii d. then Wastel bread of a Farthing shall weigh vi l. and xvjs. But Bread Cocket [of a Farthing] of the same Corn and Bultel², shall weigh more than Wastel by ii s. And [Cocket Bread] made of corn of a lower price shall weigh more than Wastel by vs. Bread made into a Simnel shall weigh ii s. less than Wastel, because it is twice cooked³. Bread made of the whole wheat shall weigh a Cocket and a half [that is to say the Cocket that shall weigh more than Wastel by v s.] Bread of Treet shall weigh ii Wastels. And bread of common Wheat shall weigh two great Cockets.

When a Quarter of Wheat is sold for xviii d. then Wastel bread of a Farthing white and well baked shall weigh iv l. xs. viii d.

| | | |
|----------|--------------|----------------------------------|
| When for | ii s. | iii li. viii s. ⁴ |
| When for | ii s. vi d. | liv s. iv d. ob. q. ⁵ |
| When for | iii s. | xlvi s. |
| When for | iii s. vi d. | xlii s. |

¹ *Statutes of the Realm* (folio) I. 199, attributed to 51 Henry III. or 13 Ed. I.

² Du Cange explains this as a sieve: it thus means bread of the same corn and same fineness.

³ Simnel bread was of the nature of Cracknels, which, like Simnel Cakes in Lancashire, are boiled as well as baked.

⁴ In other words 40 ounces 16 pennyweight.

⁵ 54 shillings and 4 pence, halfpenny and a farthing.

| | | |
|----------|----------------|----------------------|
| When for | iv s. | xxxvi s. |
| When for | iv s. vi d. | xxx s. |
| When for | v s. | xxvii s. ii d. ob. |
| When for | v s. vi d. | xxiv s. viii d. q. |
| When for | vi s. | xxii s. viii d. |
| When for | vi s. vi d. | xx s. xi d. |
| When for | vii s. | xix s. i d. |
| When for | vii s. vi d. | xviii s. i d. ob. |
| When for | viii s. | xvii s. |
| When for | viii s. vi d. | xvi s. |
| When for | ix s. | xv s. q. |
| When for | ix s. vi d. | xiv s. iv. d. ob. q. |
| When for | x s. | xiii s. vii d. |
| When for | x s. vi d. | xii s. xi d. q. |
| When for | xi s. | xii s. iv d. q. |
| When for | xi s. vi d. | xi s. x d. |
| When for | xii s. | xi s. iv d. |
| When for | xii s. xi d. | xi s. |
| When for | xiii s. | x s. iij d. ob. |
| When for | xiii s. vi d. | x s. i d. ob. |
| When for | xiv s. | ix s. viii d. |
| When for | xiv s. vi d. | ix s. ii d. ob. q. |
| When for | xv s. | ix s. ob. q. |
| When for | xv s. vi d. | viii s. viii d. |
| When for | xvi s. | viii s. vi d. |
| When for | xvi s. vi d. | viii s. lii d. |
| When for | xvii s. | viii s. |
| When for | xvii s. vi d. | vii s. viii d. ob. |
| When for | xviii s. | vii s. vi d. q. |
| When for | xviii s. vi d. | vii s. iv d. ob. |
| When for | xix s. | vi s. xi d. q. |
| When for | xix s. vi d. | vi s. ix d. |
| When for | xx s. | vi s. viii d. |

And it is to be known, that when a Baker in every Quarter of Wheat, as it is proved by the King's Bakers, may gain iv d. and the Bran, and Two Loaves for the Oven, for Three Servants i d. ob., for two Lads ob., in Salt ob., for

Kneading, ob., for Candle q., for Wood ii d. And¹ it shall be known that the assize of Bread and of Barley shall not be changed but for six pence increase or fall in the Quarter.

When a Quarter of Wheat is sold for iii s. or iii s. ivd. and a Quarter of Barley for xx d. or ii s. and a Quarter of Oats for xvi d. then Brewers in Cities may and ought to sell two Gallons of Beer or Ale for a Penny, and out of Cities to sell iii Gallons for a Penny. And when in a Town iii Gallons are sold for a Penny out of a Town they ought, and may sell four. And this assize ought to be holden throughout all England.

And if a Baker or Brewer be convicted that they have not kept the foresaid Assizes, the First, Second and Third time they shall be amerced according to the Quantity of their offence; and that as often as a Baker shall offend in the weight of a Farthing loaf of bread not above ijs. Weight, that then he be amerced as before is said; but if he exceed ijs. then is he to be set upon the Pillory without any Redemption of Money.

In like manner shall it be done if he offend oftentimes and will not amend, then he shall suffer the Judgment of the Body, that is to say the Pillory, if he offend in the Weight of a Farthing Loaf under Two Shillings Weight as is aforesaid. Likewise the Woman Brewer shall be punished by the Tumbrell, Trebuchit, or Castigatorie, if she offend divers times and will not amend².

II. THE ASSIZE OF WEIGHTS AND MEASURES³.

By Consent of the whole Realm the King's measure was made so that an English Penny which is called Sterling,

¹ Not in Latin or English but added in French.

² Another Statute concerning Bakers (i. 203) has this clause: 'Every Pillory or Stretchneck and Tumbrel must continually be of convenient strength, so that Execution may be done upon offenders without Peril of their Bodies.'

³ *Statutes of Realm*, i. 204, attributed to 31 Ed. I.

A similar list occurs in *Fleta* ii. 9, but the text there presents greater difficulties than that which is given here.

round without clipping, shall weigh Thirty-two Grains of Wheat dry in the midst of the Ear. Twenty pence make an Ounce: and Twelve Ounces make a Pound London, to wit Twenty Shillings of Sterlings, and Eight Pounds make a Gallon of Wine; and Eight Gallons of Wine make a Bushell of London, which is the Eighth Part of a Quarter of London. And Twelve Pounds and a half make the Stone London.

A Sack of Wool ought to weigh Twenty eight Stone, (that is Three Hundred and Fifty Pounds,) and in some Parts Thirty Stone (that is Three Hundred and Seventy five Pounds,) and they are the same according to the greater or lesser Pounds¹. Six times Twenty Stone, that is Fifteen Hundred Pounds make a Load² of Lead, to wit the Great Load of London, but the Load of the Peak³ is much less.

The Load of Lead also consists of Thirty Formels and every Formel containeth Six Stone, except Two Pounds: and every Stone doth consist of twelve Pounds, and every Pound consisteth of the Weight of Twenty five Shillings, whereby the Sum in the Formel is Seventy Pound.

¹ This paragraph is very hard to understand: 350 pounds of 15 oz. are not equal to 375 li. of 12 oz., but stand as 7:6. Besides this the calculation below as to the relation of *Sacks* of Wool to *Weights* seems to imply that the twenty-eight Sacks are estimated in Troy weight, and that therefore the smaller number consists of the lighter pounds. If however we regard a weigh as consisting of two stones of any denomination, in the paragraph below, we may get the closest approximation, by neglecting the calculation here of the number of pounds, which is an interpolation, and say that 28 stones of 180 ounces (or 336 large pounds) are equal to 30 stones of 150 ounces (or 375 small pounds), but they are not really identical, for 336 large pounds are to 375 small ones as 28:25.

² This must obviously be a different Load from the still larger Load (2100 not 1500 pounds) which is analysed immediately below; nor can it be exactly identified with the Load (Troy) as that would be equal to 1680 of the larger pounds: 2100 small stand to 1500 large pounds as 28:25.

³ The Peak of Derbyshire, in the neighbourhood of which there had been lead mines since Roman times.

But the sum of the stones in the Load is Eight times Twenty and Fifteen, and it is proved by Six Times Thirty, which is Nine Times Twenty. But of every Formel there are abated Two Pound in the foresaid Multiplication, which are Sixty, which makes Five Stone. And so there are in the Load Eight times Twenty and Fifteen Stone as is aforesaid.

According to some others the Load consisteth of Twelve Weighs, and this is after Troy weight. And the sum of stones in the Load is Eight Times Twenty and Eight Stones, and is proved by Twelve Times Fourteen. There is a Weigh as well of Lead as of Wool, Linen, Tallow and Cheese, and weigheth Fourteen Stone. And Two Weighs of Wool make a Sack, and Twelve Sacks make a Last¹.

But a Last of Herrings containeth Ten Thousand and every Thousand containeth Ten Hundred and every Hundred Six Score.

A Last of Leather doth consist of Twenty Diker, and every Diker consisteth of Ten Skins.

A Diker of Gloves consisteth of Ten Pair of Gloves.

Item, a Diker of House shoes doth consist of Ten Shoes.

Item, a Dozen of Gloves, Parchment and Vellum in their kinds contain Twelve Skins and Twelve Pair of Gloves.

Item a Hundred of Wax, Sugar, Pepper, Cinamon, Nutmegs, and Allum containeth Thirteen Stone and a Half, and every Stone Eight Pounds. The Sum of Pounds in a Hundred One Hundred and Eight Pounds, and the hundred consists of Five Times Twenty and every Pound of Twenty Five Shillings.

Item it is to be known that the Pound of Pence, Spices, Confections, as of Electuaries, consisteth in weight of Twenty Shillings. But the Pound of all other things weigheth Twenty five Shillings.

¹ These two 'loads' contain the same number of pounds, and therefore stand to one another as 5 to 4.

$175 \text{ stone} \times 12 = 30 \text{ formels} \times 70 = 2100 \text{ lbs. of } 25\text{s. or fifteen ounces.}$

$168 \text{ stone} \times 12\frac{1}{2} = 12 \text{ weighs} \times 14 \times 12\frac{1}{2} = 2100 \text{ lbs. (Troy) of } 20\text{p. or twelve ounces.}$

But in Electuaries the Ounce consisteth of Twenty Pence, and the Pound contains Twelve Ounces : but in other things the Pound contains Fifteen Ounces, but the Ounce in either case is in weight twenty pence.

Item a Hundred of Canvas and Linen Cloth consisteth of One Hundred Ells, and every Hundred containeth Six Score.

But the Hundred of Horse Shoes consists of but Five Score.

The Seeme of Glass containeth Twenty Four Stone and every Stone Five Pound. And so the Seeme containeth Six Score Pound.

The Dozen of Iron consisteth of Six Pieces.

A Bind of Eels consisteth of Ten Stikes and every Stike Twenty five Eels.

But the Bind of Skins of thirty Timbres. A Timbre of Coney skins and Grayes consisteth of Forty Skins.

A Chef of Fustian consisteth of Fourteen Ells. A Chef of Sindon containeth Ten Ells.

A Hundred of Garlicke consisteth of Fifteen Ropes, and every Rope containeth Twenty five Heads.

Also a Hundred of Mulsells and Hard Fish consists of Six Score Fish, and in some and many places of Nine Score; and this of the Hard Fish called Aberdeen.

III. STATUTE FOR THE MEASURING OF LAND¹.

When an acre of land containeth ten perches in length then it shall be sixteen perches in breadth.

When xj in length, xiv perches i foot, and five inches.

When xij in length xiii perches and a quarter, or i foot 1½ inch.

and so on to

When lxxx in length then ii perches in breadth.

¹ Attributed to 33 Ed. I.

APPENDIX III.

When the payment was made, a receipt was given by means of a wooden tally, the engraving and description of which have been taken from an article entitled 'Curiosities of the Exchequer' in the *Illustrated London News* for 1858.

"The tally was a slip of willow-wood, cut to a length proportioned to the magnitude of the pecuniary transaction it was intended to record. Its indications were rendered by notches, which signified various sums in progressive order, according to their size and shape.

When fabricated the instrument assumed a form as in the accompanying specimen :—As will be seen from the engraving, a large notch of an inch and a half in width signified £1000; a smaller notch, one inch in width, signified £100; one of half an inch signified £20; a notch in the wood slanting to the right signified £10 (in combination this notch was placed before the £20 notch); small notches signified £1 each; a cut sloping to the right signified 10s. (in combination placed before the £1 marks); slight indentations, or jags, in the wood signified shillings; strokes with ink on tally signified pence; a round hole, or dot, signified a halfpenny; a farthing was written in figures.

When split in two lengthwise across the notches each section of the tally, of course, corresponded exactly. One half was then delivered to the party paying money, as a receipt, and the other kept by the officers of the department, as a check or record of the transaction."

(1000 £)

Exchequer Tally delivered to G. R. Minshull Esq. on payment of £1133 14s. 4d into the Exchequer for Land Tax collected in Buckinghamshire in 1819.

EXTRACT FROM THE PIPE ROLL, FOR THE FIRST YEAR
OF KING RICHARD I.

CANTEBRIGESCR 7 HUNTEDONESCR.

Nichols fit Robti redd Com̃ de firma de Cante-
br̃Sc̃ 7 HuntēdS̃.

In thro .CC. 7 .XLI. ii. 7 .v. s. 7 .iii. d. b̃t.

Et In Eleñ Cons̃ Militib; de Temp̃t .ii. m̃. Et
Canonič de Huntēd .xl. s.

Et In Libať Cons̃ In Cantebr̃S̃ 6 Rađ de Mun-
fort .xxx. s. 7 .v. d. Et Gerū Sc̃ptorj .lx. s.
7 .x. d. de Eleñ q̃ fuit Witi fit Witi p̃ br̃ R̃.

Et In HuntēdS̃. Alañ Cornieins .xxx. s. 7 .v.
d. Et pcuratori vinee .lx. s. 7 .x. d. Et
In Custam̃to Vinee .xx. s. ñ anno.

Et In Terris Datis In Cantebr̃S̃ 6 Roģo de San-
ford .xl. s. ño . in Bercheia. Et Petro Picot
.c. s. in Wilburgehā. Et Rič de Clara 7
Henř de Kemeseke .xx. ii. b̃t . in Fordhā.
Et Esueillardo de Seissuns .x. ii. ño . in
Cūb̃toñ. Et In Burgo de Cantebr̃ .lx. ii. b̃t.
De q̃ib; ; cōpot̃ deb; reddi p̃ se. Et Huģ de
Malalneto .xv. ii. ño . in Wilburgehā . p̃ br̃
Ranñ de Glanuiff p̃cepto Regis. Et eid̃ .vii.
ii. 7 .x. s. de eod̃ redditu p̃ br̃ eiusd̃.

Et In Custam̃to Carriandi thrm̃ Galfrĩ Eliens
Epi a Cantebr̃ usq; Lond̃ .xxv. s. 7 .vi. d. Et
In Custam̃to ducendi vina ei⁹d̃ Epi ā Cantebr̃
usq; Seluestoñ .x. s. 7 .v. d. Et In Libať Johis
Aust^ucarij 7 eq^urū suoꝝ 7 Auiū suař .iii. s. 7
.xi. d. Et Quiet⁹ est.

Burgenses de Cantebr deb .LX. li. bt. de fir̃m
Burgi de Cantebr de h̃ anno . Et .C. 7 q̃t̃ .XX.
li. bt de .IIII. annis p̃t̃itis . Et .XXX. li. bt .
de dĩm anno . de firma Quinti anni.

§ .CC. 7 .LXX. li. bt. qđ ē .CC. 7 .LXXVI.
li. 7 .XV. s. nũo . p gbusť .VI. denarioꝝ q'a
reddidant i th̃ro.

Iđ reddť Com̃p de eođ debito. In th̃ro .C. 7 .q̃t̃
.XX. 7 .XVI. li. 7 .VII. s. 7 .X. d. nũo.

In Pdoñ p br R̃ Ĩp̃is Burgensibꝫ q̃t̃ .XX. li. 7
.VII. s. 7 .II. d. nũo q's libãvant in th̃ro p
habenda Villa sua in Capite de Rege . de q'
ñc Rex fecit uolũtatē suā. Et Quiet̃i st.

Iđ Burgenses reddť Com̃p de .IIII. s. 7 .II. d. de
q'bꝫdā minutis rebꝫ iuentis i P̃p̃st̃is Vici eiꝰđ
Burgi. In th̃ro libaveťt. Et Quiet̃i st.

..... de Huntedoñ reddť Com̃p de .XL. s. p Gilda
sua. In th̃ro libaveťt. Et Quiet̃i st.

Then follow the Sheriff's account of the value due from
usurpations, and escheats to the Crown, of the tallage from
Royal Demesne, including all lands of ancient demesne,
from the pleas in the Archdeacon's Court, from Forest pleas,
and recent pleas of the Crown, such as murder, using false
weights, &c.

The extract when extended runs thus :—

Nicholas filius Roberti reddit computum de firma de Can-
tebrigescira et Huntedonescira.

In thesauro CCXLI librae et V solidi et III denarii blanco.
Et in Elemosynis constitutis Militibus de Templo II
marci. Et canonicis de Huntedona XL solidi.

Et in liberationibus constitutis in Cantebrigeskira: Radolfo de Munfort xxx solidi et v denarii. Et Gervasio Scriptori LX solidi et x denarii de elemosyna quae fuit Wilielmi filii Walteri per breve Regis.

Et in Huntedoneskira: Alano Cornieins xxx solidi et v denarii. Et procuratori vineae LX solidi et x denarii. Et in custamento vineae XX solidi hoc anno.

Et in terris datis in Cantebrigeskira: Rogero de Sanford XL solidi numero in Bercheia. Et Petro Picot c solidi in Wilburgeham. Et Ricardo de Clara et Henrico de Kemeseke XX librae blanco in Fordham. Et Esueillardo de Seissuns x librae numero in Cumberton. Et in burgo de Cantebrigiae LX librae blanco. De quibus computus debet reddi per se. Et Hugoni de Malalneto xv librae numero in Wilburgeham per breve Ranulfi de Glanville precepto Regis. Et eidem vii librae et x solidi de eodem redditu per breve ejusdem.

Et in custamento carriandi thesaurum Galfredi Eliensis Episcopi a Cantebrigia usque Londinium XXV solidi et vi denarii. Et in custamento ducendi vina ejusdem Episcopi a Cantebrigia usque Selvestone x solidi et v denarii. Et in liberatione Johannis Austrucarii et equorum suorum et avium suarum III solidi et xi denarii. Et Quietus est.

Burgenses de Cantebrigia debent LX libras blanco de firma Burgi de Cantebrigia de hoc anno. Et c et quatuor xx libras blanco de quatuor annis praeteritis. Et triginta libras blanco de dimidio anno de firma Quinti anni.

Summa CC et LXX libras blancas, quod est CC et LXXVI librae et xv solidi numero, per combustionem vi denariorum quia reddiderant in thesauro.

Iidem reddunt computum de eodem debito. In thesauro c et quatuor xx et xvi librae et vii solidi et x denarii numero.

In perdone per breve Regis ipsis Burgensibus quatuor

XX librae et VII solidi et II denarii numero quos libera-
verant in thesauro pro habenda Villa sua in Capite de
Rege : de qua nunc Rex fecit voluntatem suam.

Et Quieti sunt.

Idem Burgenses reddunt compotum de IIII solidis et
II denariis de quibusdam minutis rebus inventis in
propresturis Vici ejusdem Burgi.

In thesauro liberaverunt. Et Quieti sunt.

..... de Huntedone reddunt compotum de XL solidis pro
Gilda sua.

In thesauro liberaverunt. Et Quieti sunt.

Nicholas the son of Robert renders account of the farm of
Cambridgeshire and Huntingdonshire.

In the treasury £241. 5. 3 blank.

And for customary charity for the Knights Templars,
2 marks. And for the canons of Huntingdon 40/.

And for customary payments in Cambridgeshire : to
Radolf of Muntfort 30/5. And to Gervase the clerk
60/10 of the charity which was William's the son of
Walter's by the King's letter.

And in Huntingdonshire to Alan Cornieins 30/5. And to
the steward of the vineyard 60/10. And for the cost of
the vineyard 20/ for this year.

And for lands granted¹ in Cambridgeshire to Roger of
Sanford 40/ by tale in Bercheia. And to Peter Picot
100/ in Wilbraham. And to Richard of Clare and
Henry of Kemeseke £20 blank in Fordham. And to
Esweillard of Seissuns £10 by tale in Cumberton.
And in the Burgh of Cambridge £60 blank for which
account is to be made separately. And to Hugh

¹ From lands granted the king would of course get no revenue,
and therefore the sheriff had not to account for the same farm as
was due before the grant. Most of these lands occur in the Terra
Regis in *Domesday*. Compare Madox, *op. cit.* p. 686.

of Malalnet £15 by tale in Wilbraham by Letter of Ranulf de Glanville by the King's command: and to the same £7. 10 from the same income by a Letter of the same.

And for the cost of carrying the treasure of Galfrid bishop of Ely from Cambridge to London 25/6. And for the cost of bringing the same bishop's wine from Cambridge to Selveston 10/5. And for the payment of John..... and his horses and his birds 3/11.

And he is quit.

The burghers of Cambridge owe £60 blank of the firm¹ of the town of Cambridge for this year: and £180 blank for the four years past, and £30 blank for the half of the firm of the year before that.

Total £270 blank which is £276. 15/ by tale, according to the combustion of VI denarii because² they had paid in the treasury.

The same burghers render account of the said debt. In the treasury £196. 7/10. by tale.

Remitted by Royal Letter to these burghers £80. 7/2 by

¹ This appears to be used in a derivative sense as any annual payment. Madox, *Firma Burgi*, p. 3. Here it refers to the *burgage* which succeeded the Danegeld.

² blanco, numero, combustio. Madox, *History of the Exchequer*, chap. IX. can give only "a conjectural Explication of this Matter." Combustion of money is certainly trial by fire or assay. On this occasion £270 blank is reckoned equal to £276. 15s. by tale, that is to say to £270 and 270 sixpences. Of course we should naturally expect to find mention of the assay and its result, not in the sentence which states the amount due, but in the sentences which state the sums paid by the burgesses: and we should expect to find mention of a separate assay for each sum paid. The clause *quia reddiderant in thesauro* is perhaps inserted to account for the misplacement of the mention of the assay; for as they had paid all that was due, and paid it all in money of the same quality, it did not matter on which side of the account the assay was mentioned, nor whether there was one assay or more.

tale, which they had paid in the treasury for holding their own town *in capite*¹ from the king : about which town the king has now done his pleasure.

And they are quit.

The same burghers render account of 4/2 for some trifling matters found in the new additions to the township of the same Burgh.

They have paid into the Treasury,

And are quit.

.....of Huntingdon render account for 40/- for their Gild

They have paid into the Treasury

And are quit.

¹ A case of fining for liberty to manage their own taxation. As the king "did his pleasure about their town" they did not get this liberty, and the money they had paid was remitted to them by the king's letter or, in other words, placed to their credit.

APPENDIX IV.

NOTE ON CHART I.

This diagram is intended to exhibit the gradual depreciation of the coinage, and also the steady fall in the value of the precious metals. The lines show the course taken by the Real prices or bullion values of certain ordinary commodities and services, as distinguished from their nominal prices, or the number of coins of a certain denomination for which they from time to time exchanged. That the same nominal price has not always indicated the same quantity of precious metal is due to the facts, that (1) varying amounts of alloy have from time to time been introduced into a pound weight of coin, and that (2) pieces of the same denomination have been coined now lighter, now heavier.

The diagram is based chiefly on tables of prices furnished in Macpherson's *Annals of Commerce*, Vol. iv., in Eden's *State of the Poor*, in Fleetwood's *Works*, Vol. III., and in Prof. Thorold Rogers' *History of Prices*; and in most cases the prices quoted have been selected upon a careful comparison of several authors. The lines pretend however only to a rough accuracy, the aim being to exhibit rather the general direction taken by the prices than the many minor divergencies from it.

The marks on the lines refer to those nominal prices from which the real prices have been calculated; they are given below (with their respective dates) under each heading.

The line X—X exhibits the quantity of silver (present fineness) which has at different periods been contained in twenty shillings according to the Mint returns. In the 11th century 1 lb. of silver was coined into 20 pieces called shillings, but is now coined into 62 shillings; hence a shilling then, and for two centuries later was equal to about three of our present ones. The period of greatest depreciation was in the years 1546—1551. In the attempt to calculate Real prices at this period, and for some time previously, there is much difficulty; accurate results cannot be obtained by reference merely to the Mint issues at the time, as the depreciation in them would not immediately take effect over a wide area, and the results would be considerably modified by the circulation of the coinage of previous years along with the new coin. The actual depreciation must therefore have been always less than the proceedings of the Mint in themselves intimate; and perhaps rather too much has been allowed for it in the price lines.

The following are the dates and amounts of depreciation of the coinage at the Mint as exhibited roughly by the line X. The table is from Macpherson's *Annals of Commerce*, Vol. iv.

| | Fine Silver. oz. dwt. | Alloy. oz. dwt. | Coined into £. s. d. |
|--|--------------------------|--------------------|-------------------------|
| Before A.D. 1300 a pound of standard silver contained | 11 2 | 0 18 | 1 0 0 |
| In 1300 | 11 2 | 0 18 | 1 0 3 |
| „ 1344 | 11 2 | 0 18 | 1 2 2 |
| „ 1346 | 11 2 | 0 18 | 1 2 6 |
| „ 1353 | 11 2 | 0 18 | 1 5 0 |

| | | Fine Silver. oz. dwt. | Alloy. oz. dwt. | Coined into £. s. d. |
|----|--------|--------------------------|--------------------|-------------------------|
| In | 1412 | 11 2 | 0 18 | 1 10 0 |
| " | 1464 | 11 2 | 0 18 | 1 17 6 |
| " | 1527 | 11 2 | 0 18 | 2 5 0 |
| " | 1543 | 10 0 | 2 0 | 2 8 0 |
| " | 1545 | 6 0 | 6 0 | 2 8 0 |
| " | 1546 | 4 0 | 8 0 | 2 8 0 |
| " | 1549 | 6 0 | 6 0 | 3 12 0 |
| " | 1551 | 3 0 | 9 0 | 3 12 0 |
| " | 1551 } | 11 1 | 0 9 | 3 0 0 |
| " | 1552 } | | | |
| " | 1553 | 11 0 | 1 0 | 3 0 0 |
| " | 1560 | 11 2 | 0 18 | 3 0 0 |
| " | 1601 | 11 2 | 0 18 | 3 2 0 |

And so the money continues to the present time.

The prices quoted below (where an average has not been taken) have been selected as those which upon comparison appeared to be fairly representative of a period.

I. A. *Wages of Common Labourers per week.*

| DATE. | s. d. | |
|--------------|-------|--------------------------|
| 1272..... | 0 6—9 | |
| 1348..... | 2—4 0 | Time of the Black Death. |
| 1385..... | { 1 0 | |
| | { 1 6 | |
| 1446.. | 1 0 | By Statute. |
| 1514..... | 2 3 | |
| 1593..... | 2 6 | By Statute. |
| 1610..... | { 3 0 | |
| | { 3 6 | By Statute. |
| 1651..... | 6 0 | |
| 1685..... | 4 0 | |
| 1725..... | { 4 6 | |
| | { 5 0 | By Statute. |
| 1796..... | 9 0 | |

B. *Wages of Artisans per week.*

| DATE. | s. | d. | |
|-----------|----|----|--------------|
| 1272..... | 1 | 0 | |
| 1348..... | 4 | 0 | Black Death. |
| 1390..... | 1 | 6 | |
| | | 2 | |
| 1446..... | 1 | 6 | By Statute. |
| 1514..... | 3 | 0 | |
| 1575..... | 5 | 0 | |
| 1593..... | 4 | 0 | By Statute. |
| 1610..... | 4 | 0 | |
| | | 6 | By Statute. |
| 1651..... | 7 | 0 | |
| | | 8 | |
| 1685..... | 6 | 0 | By Statute. |
| 1725..... | 6 | 0 | By Statute. |
| 1796..... | 12 | 0 | |

Immediately after the Black Death in 1348 there was an exorbitant rise in wages, and though they soon sank, they never returned again to their former level, but appear to have risen permanently one third or one fourth.

Nominally, wages rose in a marked manner during the 15th century, but at this time depreciation of the coinage was steadily in progress, and is sufficient to account for the change. An attempt however was made in 1446 to correct this nominal rise by Statute, but it is to be doubted whether it was even temporarily successful. In any case wages had regained the standards of $\frac{2}{3}$ oz. and 1 oz. silver per week only twenty years later.

The Statutes of Labour appear to have been usually aimed against a tendency in wages to rise, owing to natural causes; but laws had sooner or later to give way before these causes.

In consulting any records of wages care must be taken to note whether the reference is to summer or to winter wages, the latter being generally much lower than the former. It is necessary also to know whether the wages were with diet or without: when with diet (a very common case) they are reduced by one half or one third.

2. C. *Prices of wheat (nominal).*

| | £. | s. | d. | |
|---|----|----|-----|---------|
| In the earlier half of 12th century about | 0 | 1 | 0 | per qr. |
| „ 1237 | 0 | 3 | 4 | „ |
| „ 1289 | 0 | 6 | 0 | „ |
| In the 14th century about | 0 | 5 | 10½ | „ |
| „ Earlier half of 15th century about | 0 | 6 | 4 | „ |
| „ Later half of ditto about..... | 0 | 6 | 5 | „ |
| „ 1551 | 0 | 8 | 0 | „ |
| „ 1574 | 1 | 2 | 6 | „ |
| „ Last quarter of 16th century about | 2 | 0 | 0 | „ |
| „ 1616 | 2 | 4 | 0 | „ |
| „ 1646 | 2 | 17 | 5½ | „ |
| „ Latter half of 17th century | 2 | 6 | 3½ | „ |
| „ „ „ | 2 | 5 | 10½ | „ |
| „ First quarter of 18th century..... | 2 | 4 | 9 | „ |
| „ Second ditto | 1 | 17 | 9½ | „ |
| „ 1765 | 2 | 0 | 1½ | „ |
| „ 1795 | 2 | 14 | 3½ | „ |

The fluctuations in the prices of wheat are so great (and especially in the earlier centuries), that it is difficult to fix upon any one price given as that which is fairly representative of a period: the only alternative is to strike an average of a number of years, and this has accordingly been done in many of the above cases. In striking these averages, years of evident famine have not

been taken into account,—thus following the advice of Garnier, *Richesse des Nations*. There is consequently a good deal of discrepancy between the results here given and those in the *Wealth of Nations*, p. 117, McCulloch's ed. 1863. The prices selected by Adam Smith appear moreover to be abnormally high. The best indication of what was considered to be a fair price of wheat at any period seems to be given by Statutes relative to its exportation and importation. Prof. Thorold Rogers gives 5s. 10d. as the average price of wheat from 1261—1400;—see *History of Agriculture and Prices*, Vol. 1. Bad harvests in early times, when foreign trade was slow and limited, and inland communication difficult, told at once and with full force upon prices. At such times the mass of the people must have been unable to buy corn at all, and fed upon peas, beans, and wild roots. The fact that corn has not always been an indispensable food of the people must somewhat affect its importance as a measure of value over long periods.

The variations in the price of wheat from year to year are sometimes as great as from £2 and £3 one year to 2s. the next.

The fall in the value of wheat noticeable in the latter half of the 15th century and earlier half of the 16th, is probably due to the improvements then taking place in agriculture, and the subsequent marked rise in price seems to indicate strongly a great fall in the value of the precious metals; and this the other price lines bear out.

The Civil War in the 17th century no doubt exaggerated the rise in price already due to an influx of the precious metals; and we observe a subsequent fall.

D. *Oxen per head.*

| | <i>£.</i> | <i>s.</i> | <i>d.</i> |
|-----------------------------------|-----------|-----------|-----------|
| Latter half of 11th century | 0 | 2 | 6 |
| 1145 | 0 | 3 | 0 |
| 1298 | 0 | 6 | 8 |
| Latter half of 14th century | 0 | 8 | 0 |
| Middle of 15th century..... | 0 | 11 | 6 |
| 1563 | 1 | 10 | 0 |
| | | 2 | 0 |
| 1589 | 2 | 10 | 0 |
| Beginning of 17th century | 3 | 0 | 0 |
| | | 5 | 0 |

It is noteworthy that while in the 15th and 16th centuries the price of sheep was either stationary or falling, that of oxen was steadily rising. The great extension of sheep-farming may account for the divergence.

Great differences are to be observed in the prices of fat and lean beasts, both sheep and oxen; and it is probable that an average beast in later times, when the rearing of stock was better understood, would be quite equivalent to the fat beast of earlier periods.

E. *Oats.*

| | <i>s.</i> | <i>d.</i> |
|---------------------------------------|-----------|-----------|
| 1150..... | 0 | 4 per qr. |
| 1289..... | 2 | 0 „ |
| 1330..... | 2 | 4 „ |
| | | 6 „ |
| Latter half of the 14th century | 2 | 0 „ |
| 1489..... | 2 | 0 „ |
| 1528..... | 2 | 5 „ |

| | s. | d. | |
|-----------|----|----|---------|
| 1543..... | 3 | 4 | per qr. |
| 1560..... | 5 | 0 | ,, |
| | | 6 | |
| 1652..... | 15 | 4 | ,, |
| 1679..... | 10 | 8 | ,, |
| 1759..... | 14 | 0 | ,, |
| 1777..... | 16 | 1 | ,, |

F. *Sheep.*

| | £. | s. | d. | |
|-------------------|----|----|----|---------|
| 11th century..... | 0 | 0 | 4 | |
| 12th ditto..... | 0 | 0 | 4 | |
| 1298 | 0 | 1 | 0 | |
| 1340 | 0 | 1 | 8 | |
| 1348 | 0 | 0 | 4 | Plague. |
| 15th century..... | 0 | 1 | 10 | |
| | | 2 | 4 | |
| 1549 | 0 | 2 | 6 | |
| 1563 | 0 | 5 | 0 | |
| 1597 | 0 | 10 | 0 | |
| 1660 | 0 | 11 | 0 | |
| 1760 | 1 | 7 | 0 | |
| 1795 | 1 | 18 | 0 | |

In the time of Henry IV. the Parliament began to take upon itself the disbursement of some of the revenue, this having previously been entrusted entirely to the kings.

Originally the Crown Lands were the chief source of regular revenue; but these were gradually reduced by alienation, until taxation in the modern sense became a permanent, instead of an occasional necessity.

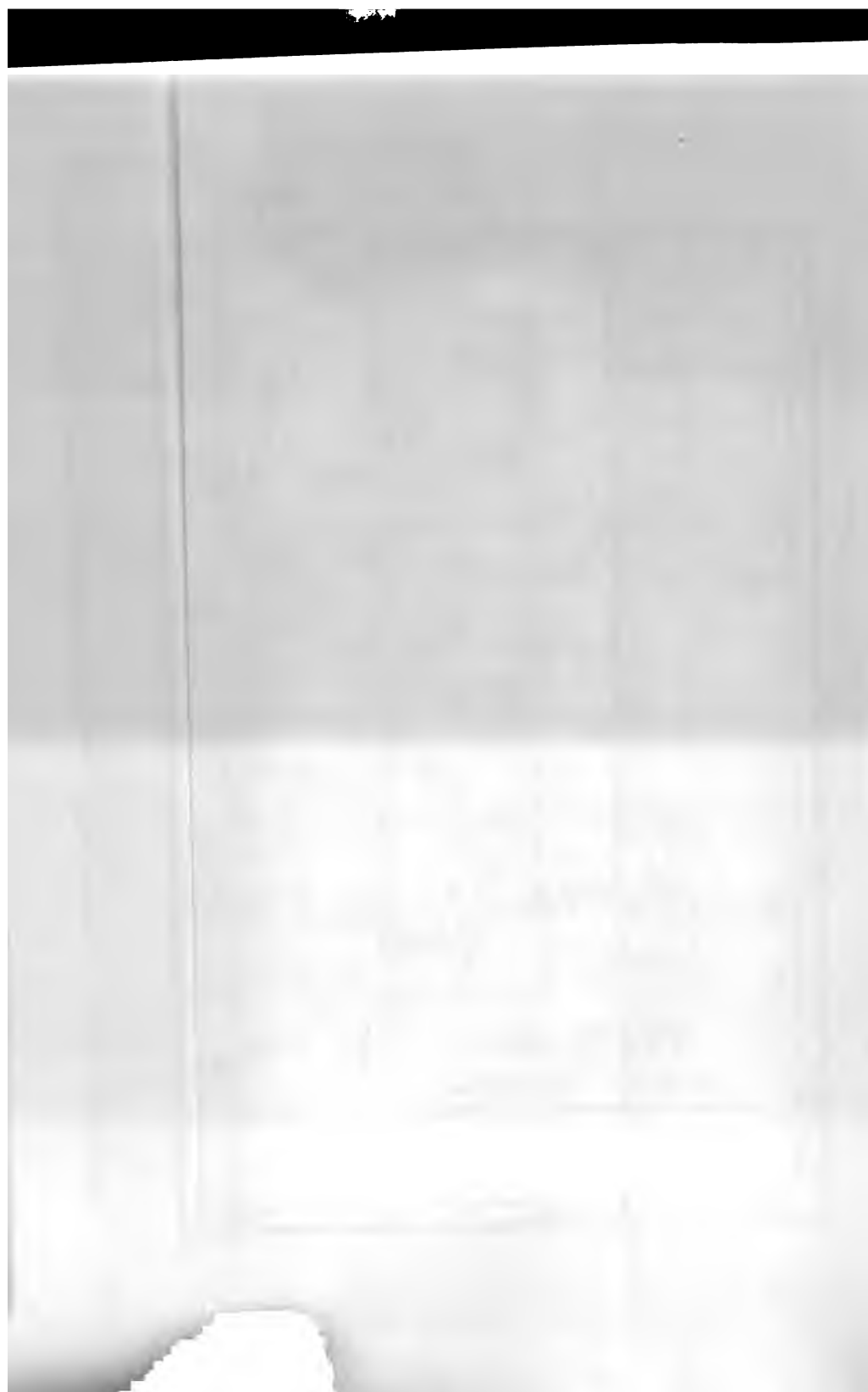
It is to be remembered that the great increase of the expenditure since the 17th century is due not only to growth of the empire, but to growth of the functions of government.

B. *Total Charge of the National Debt, including Interest, Management and Sinking Fund.*

| | £ |
|-----------------|------------|
| 1. 1689 | 39,855 |
| 2. 1701 | 1,215,324 |
| 3. 1714 | 3,063,135 |
| 4. 1763 | 5,032,733 |
| 5. 1793 | 9,432,179 |
| 6. 1817 | 31,591,927 |
| 7. 1862 | 26,166,701 |
| 8. 1880 | 28,000,000 |

The increase of the charge since 1862 is due to conversion of a part of the Debt to Terminable Annuities, and to the new Sinking Fund.





NOTE ON CHART III.

A. *Population of England and Wales.*

This line is drawn according to the scale given at the top of the chart, the intervals between the lines representing each $2\frac{1}{2}$ millions.

Until the 18th century, the calculations as to the extent of the population are most unsatisfactory; the bases on which they rest are purely hypothetical, and as a natural consequence the results obtained do not harmonize.

In 1528, from the assumption that the population of Wilts, Essex and Kent, would correspond with that of other equal areas throughout the country, it was reckoned that the total population amounted to 4,356,000¹.

Graunt declares that in 1662 it amounted to 6,500,000, a figure which we do not meet with again till 1760.

The numbers on the line refer to the following figures.

1. 1575 about 5,000,000
 2. 1696 " 5,500,000
- Calculated by Gregory King from the Hearth Tax. See Davenant's *Works*, Vol. II. publ. 1771

¹ Davenant calculates that in 1700 it amounted to about 5,000,000; see Davenant's *Works*, Vol. II. Price thought it had decreased from the time of the Revolution, and that in 1780 it was only 4,763,000.

| | | | | |
|-----|------|---|------------|---|
| 3. | 1700 | " | 5,134,516 | } See <i>Wealth of Nations</i> , McCulloch, Note IV., pp. 460, 464 |
| 4. | 1720 | " | 5,345,351 | |
| 5. | 1740 | " | 5,829,705 | |
| 6. | 1760 | " | 6,479,730 | |
| 7. | 1780 | " | 7,814,827 | |
| 8. | 1800 | " | 9,187,176 | |
| 9. | 1811 | " | 10,164,256 | |
| 10. | 1838 | " | 15,312,256 | |
| 11. | 1857 | " | 19,256,680 | } See <i>Statistical Abstract</i> , No. 28 |
| 12. | 1861 | " | 20,119,496 | |
| 13. | 1876 | " | 24,244,010 | |
| 14. | 1880 | " | 25,480,161 | |

B. Exports.

The upper half of this line is drawn on the same scale as the entire population line, and the lower half according to the scale given at the bottom of the chart,—i.e. 22 millions to each interval. As in Chart II. a column has been added to the left, exhibiting the upper half of the line as drawn also according to the bottom scale.

Before the 18th century the data for a calculation of total Exports and Imports are very inadequate. The customs in Elizabeth's reign are said to have amounted to about £14,000 per annum, and as these are supposed to have been about $\frac{1}{10}$ th of the value of the goods, we may very roughly conclude that exports and imports together amounted to about £280,000 per annum. Similarly it is calculated that in Charles I. they amounted to £500,000. The numbers on the line refer to the following figures.

| Value of Exports. (From England only.) | | | | |
|---|-------------|---|--|--|
| 1. 1688 . . . | £ 4,310,000 | | See Davenant's <i>Balance of Trade</i> , p. 93 | |
| 2. 1700 . . . | 6,250,000 | } | See Playfair's <i>Commercial Atlas</i> , Plate 1. ¹ | |
| 3. 1710 . . . | 7,000,000 | | | |
| 4. 1720 . . . | 8,750,000 | | | |
| 5. 1730 . . . | 11,000,000 | | | |
| 6. 1740 . . . | 12,000,000 | | | |
| 7. 1765 . . . | 15,000,000 | | | |
| 8. 1772 . . . | 17,000,000 | | | |
| 9. 1780 . . . | 12,500,000 | } | ² See <i>Journal of the Statistical Society</i> , No. xi. p. 21 | |
| (Including Scotland ³ .) | | | | |
| 10. 1816 . . . | 54,000,000 | | | |
| 11. 1825 . . . | 47,000,000 | | | |
| 12. 1840 . . . | 64,000,000 | | | |
| 13. 1854 . . . | 115,000,000 | | | |
| 14. 1860 . . . | 164,000,000 | | | |
| 15. 1865 . . . | 218,000,000 | } | | |
| 16. 1870 . . . | 244,000,000 | | | |

¹ Playfair in 1786 adopted (in the work referred to) the graphic method of exhibiting economic phenomena, and explains by means of many clear and interesting charts the general condition of English Trade and Finance in the years 1770 to 1782.

² Playfair declares that the trade of Scotland with other countries than England did not amount in 1770 to more than one-twentieth of the trade of England at that time; so even if it had been found possible to give with any accuracy the exports of England and Scotland combined, for the 18th century, the course of the line in the chart would not probably have been seriously affected.

³ The figures here given are not quoted directly from the Journal; they have been formed from a table furnished in it, by the addition of the *Declared Values* of the exports of British produce and manufacture to the *Official Values* of goods imported only to be re-exported. Some difficulty arises here with regard to this distinction of Declared and Official Values; and in all consultation of early records of exports and imports particular attention should be paid to it. The Official Values are reckonings of exports and imports made at the Custom House according to an early established tariff of

NOTE ON BRITISH POSSESSIONS AND DEPENDENCIES.

I. *See Map I.*

The maps exhibit the growth of the British Colonial Empire since the end of the 17th century. After the Peace of Ryswick 1697, the Possessions and Dependencies were as follows: (see E. J. Payne's *European Colonies*, and Martin's *Statistics of the British Colonies*, pub. 1839).

| | ACQUIRED. |
|--------------------------------------|-----------|
| A small district in Bengal | 1697 |
| Madras | 1639 |
| Bombay | 1661 |

prices, while the Declared Values are the real *values* at the time being, as acknowledged by the owners of the goods. As time went on, these Official Values, which at first no doubt expressed the real value, would come to ill agree with it; and the disparity was at last so great that while in 1854 exports stood according to Declared Values at 116 mls., they were according to Official 243 mls. According to the Journal all accounts of commodities *re-exported* were kept in Official Values only, so in order to get the total exports we are compelled to add these Official Values to the Declared Values of all other exports. The error which thus results however is not so great as might be expected; for it appears that while the prices of most commodities produced at home had fallen more than one half, the values of most of the imports had slightly risen. In 1854 the Declared Value of imports was 152 mls., while the Official Value was 124 mls.; hence the maximum difference between the two was only about 20 per cent. And it is further to be remembered that the re-exports amounted only to about one-fourth or one-fifth of the total; so the figures here given are only a slight under-estimate.

| | ACQUIRED. |
|--|-----------|
| St Helena | 1665 |
| Part of Gambia | 1631 |
| Cape Coast Castle | 1661 |
| Accra | " |
| Dix Cove | " |
| Part of Honduras | 1650 |
| Jamaica | 1655 |
| Barbadoes | 1625 |
| Tortola and Virgin Islands | 1666 |
| Bahamas | 1628 |
| Montserrat | 1632 |
| Bermudas | 1611 |
| St Christopher | 1697 |
| Anguilla | 1650 |
| Antigua | 1632 |
| Nevis | 1650 |
| Territory along the Coast of North America from confines of Florida to Nova Scotia, and extend- ing inland as far as the Alleghanies, before . | 1674 |
| Small colony in Guiana | 1634 |

The Possessions in 1763 in addition to the foregoing,
were

| | ACQUIRED. |
|--|-----------|
| Upper and Lower Canada | 1763 |
| Labrador | " |
| Newfoundland | 1713 |
| Nova Scotia | " |
| New Brunswick | 1763 |
| Cape Breton | " |
| Prince Edward's Island | " |
| Hudson's Bay | 1713 |
| Florida | 1763 |
| Territory West of the Alleghanies to the basin of Mississippi | " |
| Tobago | " |
| Grenada | " |
| St Vincent | " |

| | ACQUIRED. |
|--------------------------|-----------|
| Dominica | 1763 |
| Martinique | " |
| Guadaloupe | " |
| Bengal | " |
| Arcot | |
| Masulipatam, &c. | |
| Gibraltar | 1704 |

II. See Map II.

POSSESSIONS AT THE PRESENT TIME.

| <i>Hindustan.</i> | ACQUIRED. |
|--|-----------|
| Mysore | 1799 |
| Agra | 1803 |
| Mahratta Territory | 1818 |
| Malabar and Coromandel Coast | 1824 |
| Ceylon | 1802 |
| Ultra-Gangetic Territory | 1825 |
| Singapore | 1819 |
| Malacca | 1795 |
| Labuan | 1846 |
| Hong Kong | 1841 |
| Aden | 1837 |
| Cape Colony | 1806 |
| Natal | 1849 |
| Mauritius | 1810 |
| Seychelles and Ammirante | " |
| Sierra Leone | 1787 |
| Lagos | 1862 |
| Ascension Island and Tristan d'Acunha | 1815 |
| St Helena and Gold Coast (vide ante) | |
| Fernando Po | 1825 |
| Canada, Newfoundland, Nova Scotia, Labrador, Hudson's Bay (vide ante) | |
| British Columbia | 1778 |
| Vancouver Island | " |
| Sandwich Islands | " |

| | | ACQUIRED. |
|--|---|-----------|
| Honduras (vide ante) | | |
| Demarara (regained) | } | |
| Essequibo | | |
| Berbice | | 1803 |
| West Indian Islands (vide ante) | | |
| (Martinique and Guadeloupe however have been resigned and Trinidad acquired 1797) | | |
| Falkland Islands | | 1765 |
| Gibraltar (vide ante) | | |
| Malta | | 1800 |
| Gozo | | " |
| Heligoland | | 1807 |
| Cyprus | | 1878 |
| Australia and New Zealand | | 1773 |

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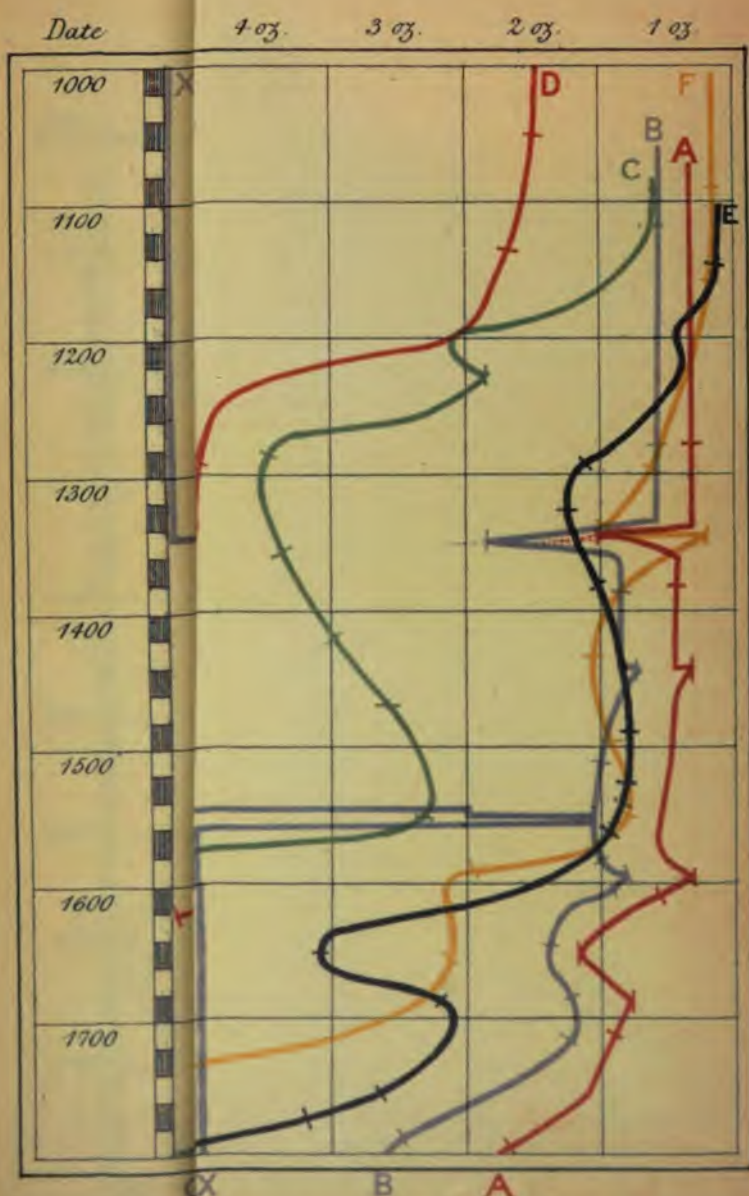
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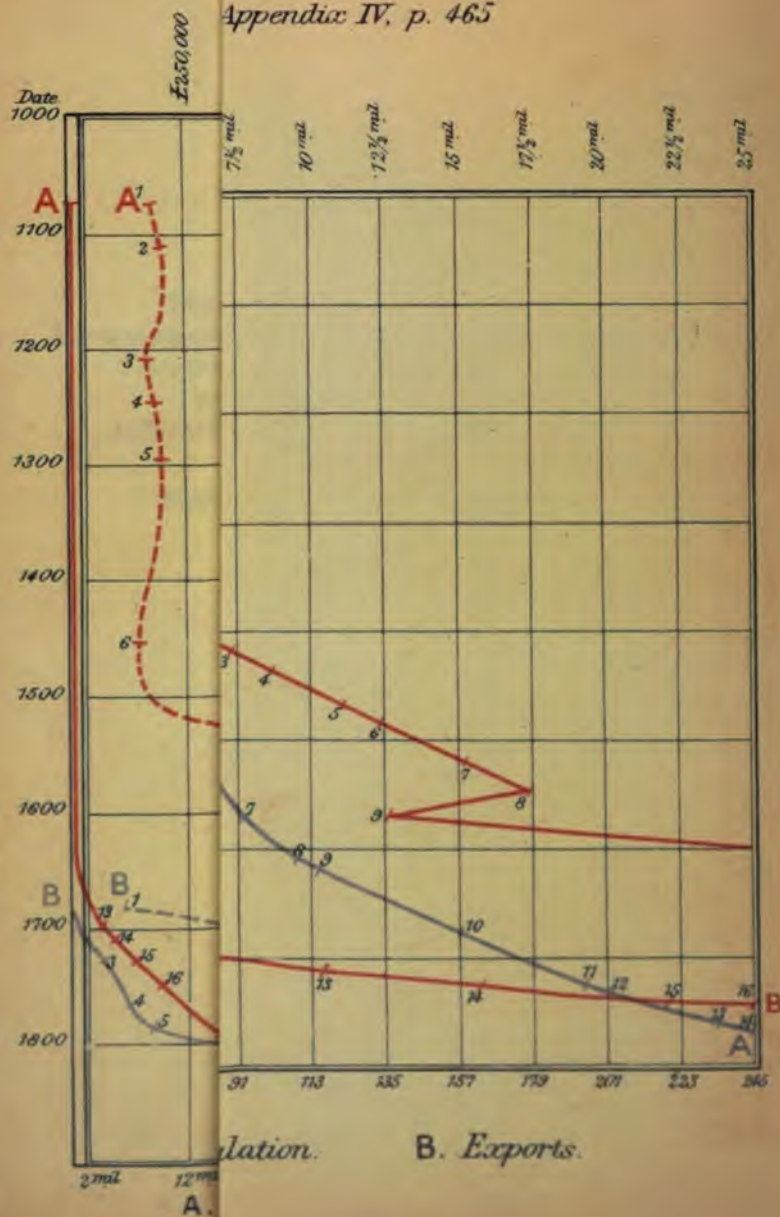


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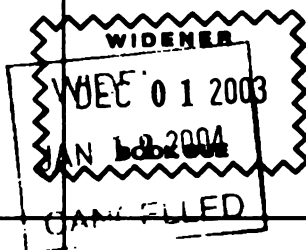


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